

Annex

to Decision of the Government of the Republic
of Armenia No 1060-A of 18 October 2016



PROGRAMME

OF THE GOVERNMENT OF THE REPUBLIC OF ARMENIA

Yerevan-2016

October

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PREAMBLE

The challenges of the Republic of Armenia require immediate implementation of reforms through the use and engagement of the whole potential of Armenia and Armenians. It is necessary to ensure the following for the **citizen of the Republic of Armenia (the supreme value)** through the effective reforms that are being implemented in the Republic:

- protection;
- dignity;
- increase in standard of living;
- life in a just society;
- optimism towards the future.

In the current stage of global and regional developments, the standard approaches to development cannot set the pace for advancement that is in line with our challenges. Also taking into consideration the limited opportunities for the engagement of special financial resources and the future growth of productivity at the expense of the domestic market, it is necessary to analyse and reinterpret our notions of and approaches to development, particularly in relation to state administration, the directions for economic development, the potential for economic growth, as well as competition and competitiveness. When developing those approaches, the current geopolitical and security threats are taken into consideration. Due to those threats, the Republic of Armenia needs to, in a visible period, maintain a defence system that is efficient, is constantly improved and upgraded and enjoys the confidence and support of the society. The disproportion of the number of the armed forces and the resources for maintenance and development of the armed forces which are required to solve those problems, dictates to the population of the country the introduction of special solutions, as a result of which the armed forces will become the major institute promoting advancement.

The **strategic objectives** of the Government will be:

- to ensure the security of the Republic of Armenia and the Nagorno-Karabakh Republic;
- to implement the Constitution of the Republic of Armenia as amended in 2015, modernise the system of state administration in the Republic of Armenia;
- to further develop democratic institutions;
- to increase the level of confidence in the electoral system;
- to reinforce the systematic fight against corruption and shadow economy;
- to fight against poverty and enlarge the middle class;
- to develop human capital and reduce unemployment;
- to establish social justice;
- to ensure equal and fair conditions and conditions promoting business for all those who create added value;
- to promote industry that is targeted at export;
- to provide state support to newly developed projects ensuring rapid economic growth;
- to increase the recognisability of Armenia and the level of confidence in the country, as well as attractiveness for investments;
- to increase the level of food safety in the Republic of Armenia;
- to promote public-private partnership;
- to continue diversification of the structure of energy production;
- to develop and popularise energy-saving technologies;
- to improve environmental protection;

- to ensure qualitative growth of the healthcare and education sectors;
- to continue to co-operate with the Nagorno-Karabakh Republic for promoting the economic development of Nagorno-Karabakh;
- to make social support more targeted.

The challenges facing Armenia require effective management, managers who constantly undergo improvement, specific and just relations between the State and citizens, an economic policy that is ready for and gives an adequate response to the dynamic developments taking place in the global economy and a government that enjoys the confidence of the people.

The idea of nation-army and the strategic principle of "Maximum result with available resources" will lie at the core of the activities of the Government in the defence sector. The Armenian army must become a school and smithy for the society, promoting the upbringing of smart and patriotic citizens.

For the purpose of creating an opportunity for a citizen of the Republic of Armenia to improve the quality of his or her life, to have an understanding of justice, to be more protected, to improve social conditions and to implement his or her business ideas, the Government declares the following priority areas for the reforms that it has developed:

- strengthening external and internal security;
- ensuring long-term, sustainable and high level of economic growth;
- modernising systems for state and local self-governance;
- enhancing social infrastructures and improving the quality of provided services.

The analysis of the economic situation shows that it is extremely difficult to ensure development with standard instrumentation and methods. For this purpose, the Government sets the objective to give, within a short period of time, a specific diagnosis of the system of governance and the economic situation; implement, within

the limits of the existing budgetary capacities, measurable short-term measures within the upcoming six months, as well as propose **long-term strategic reform programmes**, indicating the conditions for the economic development of Armenia. In addition to the existing instrumentation, for the purpose of developing long-term strategic programmes, it is planned to establish a **Centre for Strategic Initiatives adjunct to the Government of the Republic of Armenia** where the leading experts and professionals of Armenia, the Armenian Diaspora and foreign countries will deal with the solution to the specified problem.

1. MAIN DIRECTIONS FOR ACTIVITIES OF THE GOVERNMENT

1.1. MODERNISATION OF THE SYSTEM OF STATE ADMINISTRATION AND LOCAL SELF-GOVERNANCE

REFORM IN THE SYSTEM OF STATE ADMINISTRATION

Optimisation of the system of state administration

- (1) increasing the official powers of members of government and establishing liability adequate to that in order to ensure effective management in the trusted sector;
- (2) re-evaluating the effectiveness of loan programmes and setting priorities in the context of the current challenges;
- (3) identifying and eliminating needless procedures and circuits, minimising needless contacts with state administration bodies in order for state administration bodies to provide corruption-free services to citizens and economic entities;
- (4) increasing the level of accountability and transparency of state administration bodies, as well as establishing effective feedback between them and citizens and economic entities;

- (5) reducing the expenditures of the state apparatus, accepting as a basis the necessity and factual implementation of functions that are carried out;
- (6) rejecting the implementation of repetitive or ineffective functions within state administration bodies;
- (7) enlarging systems of services provided to citizens and economic entities under the "one-stop shop" principle in order to improve the quality of services provided to citizens and investors through the use of existing platforms and also through the engagement of private entities as service providers;
- (8) establishing essential performance indicators for all republican executive bodies and, according to those indicators — rating, as well as establishing a new procedure for assessment of the activities of territorial administration bodies;
- (9) introducing new standards for performance evaluation of the professional capabilities and working duties of public servants, accepting as a basis the imperative for radical transformation of the image of a state servant;
- (10) increasing the level of effectiveness of the management of public finances, introducing a programme budgeting system;
- (11) maximally automating the process of budgeting in order to raise the level of effectiveness of budgetary programmes;
- (12) ensuring professional and public feedback for raising the level of transparency and accountability for implementation of the tax-budgetary policy;
- (13) introducing a centralised system for monitoring the financial and fiduciary management of commercial organisations with stocks (shares) pertaining to the State, as well as introducing a system of certain calculative indicators for the performance evaluation of those organisations in 2017.

Public procurement

- (1) in the course of six months:
 - a. simplify procurement procedures, reduce the number of clients and introduce a partially centralised system;
 - b. gradually make a transition from the organising of purchases carried out by paper in accordance with the programmes funded by foreign and international organisations to the organising of online purchases through the use of an electronic platform for public procurement;
 - c. undertake legislative amendments establishing liability for inaccurate statements on the absence of a clash of interests in the processes of procurement and for simultaneous participation of persons interconnected in the process of procurement in order to restrain anti-competition phenomena;
 - d. organise the process of acceptance of results of the implementation of procurement agreements electronically.

Development of the system of electronic governance

- (1) inventorise all electronic and documentation services and increase the number of services provided electronically;
- (2) implement measures for the development and introduction of an integrated electronic system of state administration;
- (3) In 2017:
 - a. create a specialised unit that will co-ordinate the policy on development of the ICT sector based on a common vision;
 - b. start introducing a platform for the interoperability of state and local ICT systems that will create preconditions for only one entry of any information in the

systems of state or local self-government bodies, providing access to all authorised users;

c. introduce management information systems within all enlarged communities and five cities,

(4) organise the transition from the systems embedded within all state bodies to a uniform system of entry and identification in 2018.

LOCAL SELF-GOVERNANCE

(1) ensure continuity of privileges granted to bordering communities;

(2) in the course of three months, develop a new methodology for the development of five-year community development programmes, improve internal and external control mechanisms for effectiveness of the property management and financial management of communities;

(3) ensure continuity of administrative and territorial changes and, in 2017, enlarge nearly 150 communities in 18 clusters;

(4) throughout 2017, develop models for the outsourcing of community services that can be more accessible and be provided with higher quality by the private sector;

(5) in the course of two years:

a. implement legal amendments aimed at making financial markets accessible for communities;

b. implement, through public-community-private partnership, investments within 5 enlarged communities for the provision of community services and the development of entrepreneurship within the respective community;

- c. implement programmes ensuring added value (greenhouses, refrigerators, small reprocessing industries, slaughterhouses, etc.) within at least 45 rural communities;
- (6) in the course of five years, introduce within enlarged communities a model for the indirect election of a head of community and a proportional electoral system for councils of elders of communities, increase the role of the council of elders in budgetary planning.

1.2. ENSURING SUSTAINABLE ECONOMIC GROWTH

GENERAL ECONOMIC DEVELOPMENT

Encouraging and protecting investments

- (1) in the course of one year, optimise state organisations or organisations with state participation supporting investment programmes and raise the level of effectiveness of activities;
- (2) Throughout 2017:
- a. for the purpose of providing financial assistance for investment programmes, the State will establish an investment fund with the vision of establishing a fund that will operate through public-private partnership;
 - b. implement actions for development of the business climate and the economy which, based on the results of the year 2017, will help improve the position of the Republic of Armenia in the Global Competitiveness Index and the rating in the Doing Business Index by at least 4 points;
 - c. introduce mechanisms promoting the reoperation of Non-performing assets (including assets pledged within financial institutions);

- d. increase the role of the diplomatic representations of the Republic of Armenia in engaging investments;
- e. develop a concept paper on granting citizenship to foreigners having made investments exceeding a certain amount;
- f. apply more flexible approaches to the alienation or privatisation of property in case state property is hard to sell, focusing primarily on increasing responsibility for investments and social responsibility.

Developing and encouraging businesses

- (1) implement an active policy through constant contacts with economic entities:
 - a. for the purpose of creating a more favourable investment climate for new ventures, high technology and innovation enterprises, enterprises carrying out activities in branches considered as supreme, new enterprises meeting certain standards (non-competitive) (including also through tax privileges and the presentation of a proposal to set special tariffs for power generators);
 - b. for the purpose of regular monitoring of the process of implementation of large investment programmes and the identification and regulation of problems hindering the implementation of those programmes;
 - c. for the purpose of implementing complex measures for the promotion of small and medium enterprises;
- (2) before the end of 2016:
 - a. submit a proposal regarding special tariffs on natural gas valid for a limited period for certain types of activity (greenhouse economies, persons reprocessing agricultural products, etc.);

- b. provide support so that the company supplying natural gas applies approaches that will promote the expansion of activity for consuming organisations (for instance, by offering lower tariffs following consumption of gas that exceeds a certain amount);
- (3) in the course of six months:
- a. decriminalise offences in the sphere of economic activity that pose minimum danger to the public;
 - b. monitor the implementation of legal norms restricting economic activity and competition between economic entities and implement measures aimed at eliminating the identified obstacles, create a predictable and perceptible economic environment for economic entities;
 - c. establish an institutional platform that will be more effective for co-operation with representatives of the business community;
 - d. study opportunities for privatisation through public proposals in the state stock exchange of companies with state participation;
- (4) In 2017:
- a. reduce the list of authorisations and licences envisaged for being involved in certain types of activities and maximally simplify the procedures for issuance of authorisations and licences;
 - b. change functions for inspection in at least six spheres, replacing punitive mechanisms with mechanisms that are as preventive as possible;
 - c. revise and reduce the requirements of the authorised body of the Republic of Armenia for examination or laboratory expert examination when relevant documents (certificates, results of laboratory expert examination, etc.) are submitted during the import of certain products from countries that have a high level of quality control;

- d. develop a concept paper on the institute of a business conciliator and launch the institute in 2018;
- e. undertake changes in the legislation on securitisation and create an institutional field adequate to that;
- f. create favourable conditions for the establishment and operation of private contractual investment funds in Armenia.

Promoting export

- (1) implement an active policy through constant contacts with economic entities in the following directions:
 - a. revise and modernise the industrial policy on export;
 - b. eliminate the existing obstacles for the entry of Armenia into markets with special trade regime, enlarge opportunities of entry and the implementation of measures aimed at presenting Armenian products in prospective markets abroad;
 - c. activate economic co-operation with regional partnering states for the purpose of ensuring more favourable conditions for the entry of Armenian products into those countries;
 - d. Throughout 2017, introduce and apply mechanisms to support the establishment and empowerment of specialised exporting organisations (including logistics companies);
 - e. gain international recognition for the national system of accreditation for the purpose of ensuring recognition of compatibility assessment documents issued in the Republic of Armenia (experiment records and compatibility certificates) abroad;

- f. create a field promoting the entry of supranational corporations in Armenia, reveal and realise the opportunities for the positioning of Armenian organisations within the networks of supranational corporations;
- (2) starting from 2017:
- a. in order to promote export, reduce, in phases, the time limits for return of VAT and simplify procedures;
 - b. improve export insurance, introduce new instruments for constraining monetary risks (i.e. derivative financial instruments);
 - c. increase the role of the diplomatic representations of the Republic of Armenia in exporting Armenian products.

Tax and customs systems

- (1) improve, through the transfer pricing method, the mechanisms for calculating the customs costs for products being imported in case of submission of documents prescribed by legislation with respect to products imported from countries with a higher level of customs documentation (i.e. accepting as a basis the documents that have served as a basis for an export declaration);
- (2) consistently implement activities aimed at introducing the culture of complete documentation of transactions being made in the economy, attaching special importance to full documentation of transactions that are made by large economic entities;
- (3) expand the network of agreements relating to the spheres of taxation and customs, including the conclusion of agreements excluding double taxation, particularly with the countries with which the Republic of Armenia has or expects to establish active trade and economic relations, as well as expand a network of

agreements on transparency and the exchange of information for the purpose of taxation;

(4) in the course of six months:

a. introduce active mechanisms for tax and customs bodies that will ensure:

- radical transformation of the image of a tax or customs official;
- creation of more favourable conditions for the activities of law-abiding taxpayers;
- increase in the level of transparency of the activities of tax and customs bodies, the measurability of effectiveness and accountability;

b. introduce a new system of assessment of the level of risks of operations for import carried out by economic entities carrying out foreign economic activities in order to reduce the number of procedures for import of products and the time spent on the implementation of those procedures;

c. simplify the procedure for delaying payment of VAT sums calculated by customs and tax bodies in case of import of main resources and raw materials within the scope of investment programmes;

d. simplify the administrative procedure for and complete transition to an electronic system of reporting for the purpose of reducing corruption risks in the process of implementing tax and customs administration;

(5) Throughout 2017:

a. revise mechanisms for levying with property tax in order to promote the inclusion of idle assets in the creation of value added in the economy;

b. revise, in the course of six months, standards assessing the level of risks of taxpayers in order to make tax inspections more targeted and effective;

- c. expand the scope of application of the return of VAT to foreign natural persons;
- d. establish more special conditions for self-employed persons;
- e. simplify the procedures for the import of personal assets of repatriates.

SECTOR-SPECIFIC ECONOMIC DEVELOPMENT

Development of tourism

- (1) targeted packaging of the existing tourism results/services based on modern developments in the sector of tourism;
- (2) raising awareness about Armenia as a country that is attractive for tourism, through the implementation of an active marketing policy in targeted tourism markets, attaching importance to advertising Armenia on online social platforms;
- (3) in the course of 6 months:
 - a. introduce qualification standards for tourism services aimed at improving the quality of tourism services and infrastructures,
 - b. launch a pilot programme for rural tourism within 60 rural settlements, launch a national action plan for development of rural tourism based on the summary of the results of one year,
 - c. initiate contests aimed at turning at least 5 caves into tourism destinations,
 - d. develop the tourism strategy "Pilgrimage to the first Christian country";
- (4) in 2017:
 - a. support new directions (alpinism, bicycling, extreme tourism, ecotourism, health tourism, religious, wine tourism etc.) that have a strong potential for tourism; private initiatives already in effect, and develop a development

programme for the purpose of at least tripling the number of tourists within 5 years,

b. expand the list of countries of foreign nationals having the opportunity of visa-free entry and countries of foreign nationals having the opportunity to obtain entry visa to the Republic of Armenia at checkpoints,

c. develop a programme to turn at least 20 historical and cultural monuments and specially protected natural areas, which are not tourism destinations, into tourism destinations.

Agriculture

(1) in the course of 3 months:

a. develop a concept paper on raising the level of effectiveness of the system and set of instruments for ensuring food safety in order to raise the level of food safety;

b. develop a concept paper on reforms in the forest sector in order to improve the state of preservation, protection, regeneration and use of forests;

c. develop a concept paper on the prevention of damages caused by natural and climatic disasters (drought, hailstorm etc.);

d. develop a management concept paper which takes into account actual water use in the field of irrigation water supply;

(2) localise internationally accepted requirements for hygiene of food of animal origin in order to raise the quality and safety of food:

a. application of the requirement for stamping accompanying veterinary documents and the meat subjected to slaughter in slaughterhouses starting from 2017;

- b. phased transition to compulsory slaughter in slaughterhouses in the process of selling and purchasing meat starting from 2017, aimed for full transition to slaughter in slaughterhouses by 2021;
- (3) implement measures aimed at increasing the reputation of Armenian brandy:
 - a. discuss the rates and calculation method of state duty and excise tax with preservation of annual revenues collected for the State Budget of the Republic of Armenia;
 - b. in 2018, label wine products according to the results of examination of isotopic composition;
- (4) to foster the establishment of intensive orchards:
 - a. in 2017, create a research and production centre for preservation of the gene pool and development of selective breeding in intensive horticulture, which will be engaged in the production of planting material and inoculated planting material of grape throughout the year;
 - b. between 2018 and 2020, create relevant conditions for the establishment of new intensive orchards of up to 100 hectares on an annual basis;
- (5) in 2017:
 - a. expand the volume of afforestation and reforestation,
 - b. develop mechanisms for the integration of unused agricultural lands into circulation and for expansion of irrigated areas;
 - c. implement measures aimed at fostering co-operation of agricultural farms;
- (6) starting from 2017:
 - a. implement programmes for partial subsidisation to pay the price for mineral fertilizers and diesel fuel;
 - b. improve mechanisms for subsidisation;

- c. partially subsidise the cost of highly productive seeds for farms specialising in seed-breeding, viewing the procurement of high-quality reproduced seeds for rural farms at competitive prices as a precondition;
 - d. partially subsidise the cost of young pedigree animals sold in the Republic for pedigree farms, aimed at improving pedigree and productivity features of agricultural animals;
 - e. assist cooperatives in the construction of cooling points for collection and processing factories aimed at promoting the volume and improving the quality features of milk production within cooperative- member economies;
 - f. organise professional training courses for rural economies;
- (7) increase the reputation and level of competitiveness of winemaking in the country:
- a. organise "World of Wine" conference in Armenia in 2017;
 - b. contribute to the participation of Armenian winemakers in international contests;
 - c. bringing local criteria and standards of wine quality into compliance with international requirements (into compliance with the requirements of the EU, EAEU and Asian countries) within three years.

Transport, communication and ICT sector

- (1) continue to implement strategic projects for the development of regional communication infrastructures;
- (2) implement comprehensive measures for co-operation with the ICT business community in order to reveal the obstacles in the sector and find ways for solution through combined efforts;

(3) inventorise financial and technical support programmes of international structures which assist in the development of ICT and innovation infrastructures, optimisation and quality enhancement of state support programmes within 6 months;

(4) in 2017:

a. implement at least 2 target measures on international platforms aimed at promoting the ICT sector and ensuring the access of new international companies to the Armenian market;

b. develop a programme for data recovery applied in emergency situations;

c. develop the concept paper on the creation of a "Smart City";

d. continue to implement and enhance the programmes of educational and research centres in the ICT sector;

e. develop new regulations on technical inspection of motor transport, replace technical inspection stickers with an electronic system and introduce oversight measures for the actual implementation of technical inspection;

f. reconsider the legislative framework regulating transportation of taxi motor vehicles, establishing equal competitive conditions for those providing taxi services;

g. digitise all interstate, and by 2019 – all republican motor roads and introduce a single unified system for road asset management;

h. regulate irregular interstate passenger services;

i. announce contests for selection of the trust manager of the national postal operator in order to provide high-quality postal services in line with international standards;

(5) create a modern data processing centre through public-private partnership in 2018;

(6) regulate processes related to the installation of gas tanks in motor vehicles operating with compressed natural gas or liquefied petroleum gas, as well as that of regular certification of cylinders within 2 years;

(7) create prerequisites for expansion of the volume and geography of the air transportation market and operation of flights to Shirak Airport in Gyumri by low-cost airlines, facilitate the procedures for issuing route permit to air carriers through the introduction of an online system.

Energy infrastructures and natural resources

(1) take active and comprehensive measures aimed at ensuring the energy independence of Armenia by seeking new markets for trading in the region and leading a policy on active import and export;

(2) in 2017:

a. develop the incentive programme aimed at popularising micro units in the renewable energy sector and launch the programme in 2018;

b. establish mandatory energy-efficiency standards within newly constructed and reconstructed apartment buildings, as well as within facilities being constructed (reconstructed, renovated) at the expense of state funds, ensuring the realisation of energy expert examination and application of standards starting from 2018;

c. develop measures relieving the impact of fluctuating prices in mining sector;

(3) submit application for competitive granting of mining rights, effective and responsible use of subsoil, as well as for joining the Extractive Industries Transparency Initiative (EITI) in 2017;

- (4) implement activities for the digitisation of the existing material in the descriptions of mineral mines and manifestations in a consistent manner, ensuring online access to it for all potential investors by the year 2018;
- (5) engage an operator enjoying high international reputation within a three-month period in order to raise the level of effectiveness of management of potable water systems, ensuring predictable and, at the same time, common and affordable tariffs for over 730,000 customers in the Republic;
- (6) terminate activities for the prolongation of the projected time frame for operation of the second power unit of the Armenian Nuclear Power Plant (ANPP) and the activities for modernisation thereof within the provided time limit;
- (7) continue to implement activities for the purpose of holding discussions and negotiations with potential investors in order to implement the construction project for the new nuclear power unit;
- (8) terminate the construction of the new Armenia-Iran and Armenia-Georgia high-voltage transmission lines in 2019;
- (9) construct solar power plants within the scope of the Scaling up Renewable Energy Program (SREP) being jointly implemented with the Climate Investment Funds (CIF) in 2017-2019;
- (10) support private projects related to the construction of wind power plants, as well as draft legislative incentives with regard thereto;
- (11) draft an investment programme for the construction of a power plant in the Karkar area in case of final confirmation of geothermal resource in terms of economic viability, and organise a contest aimed at engaging a private investor in 2017-2018;
- (12) implement projects for reservoir construction, restoration, reconstruction, modernisation of irrigation systems, as well as institutional reforms in the field of irrigation water supply in phases and continuously.

1.3. FOREIGN POLICY, DIASPORA, DEFENCE, SECURITY, PUBLIC ORDER AND EMERGENCY SITUATIONS, HUMAN RIGHTS, JUSTICE AND FIGHT AGAINST CORRUPTION

FOREIGN POLICY

In order to further strengthen external security, ensure the required favourable external conditions for development, further integration into global and regional processes, develop and strengthen bilateral and multilateral relations with friendly and partnering countries, ensure active participation of the Republic of Armenia within international organisations, based on foreign policy benchmarks outlined by the President of the Republic of Armenia, the implementation of the policy will be targeted at:

- (1) peaceful settlement of the Nagorno-Karabakh conflict based on fundamental principles and norms of international law, particularly self-determination of nations;
- (2) reinforce the military and political component of external security;
- (3) promotion of international recognition and condemnation of the Armenian Genocide and prevention of the crime of genocide;
- (4) further deepening and expansion of the allied co-operation and strategic relations with Russia;
- (5) strengthening of friendly partnership with the United States of America;
- (6) future development and strengthening of bilateral co-operation with European countries;
- (7) deepening of friendly and mutually beneficial relations with immediate neighbours – Georgia and Iran;
- (8) normalisation of Armenian-Turkish relations without preconditions;

- (9) deepening of relations with CIS member states that are really taking steps towards mutually beneficial co-operation;
- (10) enhancement of co-operative relations with China and other Asian countries, African countries;
- (11) continuity of co-operation with traditional partnering countries of the Middle East;
- (12) enhancement of co-operation with the countries of the Americas;
- (13) active participation in co-operation within the scope of the Eurasian Economic Union;
- (14) continuous deepening of co-operation within the scope of the CSTO;
- (15) expansion of partnership with the European Union, formation of a new legal framework for co-operation;
- (16) active participation in co-operation within the scope of the CIS;
- (17) active integration into the UN, the OSCE, the CoE and other international organisations and protection of the interests of Armenia;
- (18) deepening of integration of the Republic of Armenia into the International Organisation of La Francophonie;
- (19) continuity of political dialogue with NATO, consistent implementation of the Individual Partnership Action Plans;
- (20) enhancement of active co-operation with international and regional economic and financial structures;
- (21) ensuring of stable economic development, lifting the blockade on, development and diversification of communication channels, export of domestic products, revelation of new markets, promotion of external investments and increase in the number of tourists in Armenia;

- (22) protection of the rights and interests of the citizens and legal persons of Armenia in foreign states;
- (23) provision of assistance to compatriots in states of emergency, including Syrian Armenians;
- (24) preservation of the Armenian historical and cultural heritage in foreign states;
- (25) implementation of actions aimed at making foreign policy stances of the Republic of Armenia more audible in international arena, formation of favourable international public opinion.

DIASPORA

- (1) create a structure that functions based on the "one-stop shop" principle with the support of the Government of the Republic of Armenia in order to provide consulting services to Diaspora Armenians, propose business projects and assist in the smooth implementation of investments;
- (2) implement projects for the integration of Syrian Armenians and Iraqi Armenians in a continuous manner;
- (3) develop projects for preservation of the Armenian identity jointly with pan-Armenian structures, taking into account the territorial characteristics, and assist in the teaching of the Armenian language to young people, engage them in other educational programmes;
- (4) realise visits to Armenia and new projects for recognition of the homeland;
- (5) prepare and train Diaspora Armenian teachers in Armenia and Diaspora;
- (6) co-operate with professional associations created in Diaspora and foster activities thereof in the Republic of Armenia,

(7) implement projects for preservation of the Armenian identity of Georgian-Armenians, including within the Armenian communities of Javakhk, preservation of the native language, assist in the development of logistics base for youth and cultural centres.

DEFENCE

(1) implement activities aimed at creating sufficient military capacity for neutralisation of military threats and maintaining military balance in the region;

(2) enhance the potential of the nation and the allied relations and partnerships of the armed forces;

(3) modernise military administration mechanisms, ensure proper public awareness, development of army-society ties, ensure safeguards for human rights and fundamental freedoms, sound public and interpersonal relations, as well as strengthen patriotism, moral norms, discipline and statutory relations within the armed forces in parallel with thorough and effective fulfilment of combat duty and combat missions;

(4) ensure civil and democratic control over the armed forces and public accountability;

(5) increase the level of effectiveness and transparency of resource management through the improvement of strategic defence planning, implement project budgeting, procurement process and oversight mechanisms;

(6) implement activities aimed at ensuring effectiveness and economic viability of the military-industrial complex and promoting investments in that field;

(7) create a transparent system for career promotion based on merits and educational standards, implementing modern educational and methodical programmes in the field of military education;

- (8) expand the professional component at the level of troops of the military armed forces, recruit contractual soldiers, engage professional non-commissioned officers at the level of junior command;
- (9) ensure proper social safeguards for military servicemen and their family members, persons who became disabled during military service, family members of military servicemen who fell in battle (died), missing soldiers, improve the organising of high-quality medical assistance for military servicemen;
- (10) increase the level of access to information on safeguards and compensations prescribed by the legislation of the Republic of Armenia;
- (11) improve the system for reserve and mobilisation preparedness, ensure participation of each conscript citizen in the defence of the Republic of Armenia by ensuring the principle of fairness in the call-up system, viewing military service as a process of education and upbringing, formation of a law-abiding citizen;
- (12) implement a target programme aimed at reintegrating military servicemen into society after finishing military service;
- (13) expand opportunities for women to join military service on a voluntary basis.

SECURITY AND PUBLIC ORDER

- (1) ensure the continuity of strategic reforms related to national security and law-enforcement systems;
- (2) improve, in a consistent manner, systems for effective management in crisis situations;
- (3) enhance in a consistent manner, the security system ensuring observance of the constitutional order;

- (4) prevent and neutralise security threats, including terrorism (all manifestations thereof), the spread and transit of weapons of mass destruction and narcotic drugs, money laundering, cybercrimes and trafficking in human beings;
- (5) improve information security systems, modernise ways and methods for prediction, detection and assessment of threats;
- (6) introduce modern systems required for ensuring security;
- (7) deepen co-operation with the competent authorities of international structures and foreign states;
- (8) build capacities of national security and other law-enforcement authorities;
- (9) expand the activities of community police within a year;
- (10) develop operational-information and operational management infrastructures, including the creation of an operational-information centre within the Police in the course of one year and create operational management centres in Gyumri and Vanadzor in the course of 2 years.

STATES OF EMERGENCY

- (1) develop an early warning system for disasters within 10 communities in the course of 6 months;
- (2) in the course of one year:
 - a. introduce a system for revealing and assessing disaster risks within 10 communities;
 - b. carry out pilot implementation of a unified system for management of landslide in 2 communities;
 - c. introduce a comprehensive digital communication system within the National Centre for Crisis Management;

- (3) in the course of 2 years:
 - a. establish a territorial defence system;
 - b. introduce a system for a psychological response to states of emergency;
 - c. create a civil defence unit within each of the 10 bordering settlements;
 - d. establish a system for registration, collection, storage and destruction of hazardous chemicals existing within the territory of the Republic based on the storage to be constructed in Kotayk Marz (province) of the Republic of Armenia;
- (4) in the course of 3 years:
 - a. introduce components of disaster risk reduction in programmes for community development;
 - b. re-equip the state rescue system with technologies within 3 marzes and replenish 39 fire and rescue engines.

HUMAN RIGHTS, JUSTICE AND FIGHT AGAINST CORRUPTION

Human Rights and Justice

- (1) ensure increase of confidence in electoral processes, including through co-financing of implementation of measures aimed at ensuring the lawfulness of electoral processes provided for by the Electoral Code within a period of three months, as well as acquisition and operation of technical equipments;
- (2) in the course of six months:
 - a. improve the institute of release on parole, ensuring the level of effectiveness and predictability of the process through the establishment of objective standards;

- b. approve the 2017-2019 Action Plan deriving from the National Strategy for the Protection of Human Rights;
 - c. improve the process of compulsory enforcement of judicial acts, in particular, further clarification of the time limits for compulsory enforcement of judicial acts, reducing discretionary powers of compulsory enforcement officers;
 - d. implement measures aimed at introducing the system for provision of free-of-charge legal assistance on the part of advocates who are not public defenders;
 - e. improve the legislative process through the introduction of effective systems for the monitoring of the enforcement of laws, planning of draft laws, project planning, provide assessment on the impact of regulation;
 - f. ensure medical equipment required for primary healthcare within 11 penitentiary institutions;
- (3) throughout 2017:
- a. improve legislative regulations that ensure examination of cases within a reasonable time period, as well as introduce effective mechanisms and standards for the assessment of the workload of courts;
 - b. enhance the electronic system for provision of services in judicial processes (electronic submission of statement of claims, applications, evidence, motions and conduct of other procedural activities, ensuring the opportunity to become familiar with the materials of the case online, provision of carbon copies, possibility to follow court sessions online and holding distance trials);
 - c. implement energy efficiency programme within 10 penitentiary institutions, carrying out activities to ensure heating and hygiene within buildings;
 - d. improve the activities of the State Probation Service, ensuring implementation of alternative measures of restraint and security measures provided for criminal-procedural legislation through the Probation Service.

Fight against Corruption

- (1) exert maximum efforts to eliminate the greatest obstacles in the daily activities within the state apparatus that hinder the development of the state – favouritism, embezzlement, bribery and other corrupt practices;
- (2) criminalise “illicit enrichment” within a period of three months and introduce practical mechanisms ensuring application thereof within a period of six months;
- (3) in the course of six months:
 - a. develop an institutional anti-corruption system, including through reconsideration of the principles for the formation of an anti-corruption council;
 - b. improve public accountability of anti-corruption preventive and law-enforcement bodies;
 - c. implement measures targeted at legal enlargement of the circle of persons submitting property and income declarations and clarify the circle of affiliated persons;
 - d. implement measures aimed at introducing the institute of declaration of conflicts of interest;
 - e. implement measures aimed at introducing a practical system for the protection of whistle-blowers;
 - f. set legal regulations envisaging restriction on cash transactions;
- (4) draft, within a year, legislation that provides for stricter liability for crimes against state service, taking into account the higher degree of danger.

1.4. EDUCATION AND SCIENCE, SOCIAL POLICY, HEALTHCARE, ENVIRONMENTAL PROTECTION, CULTURE, SPORT AND YOUTH, URBAN DEVELOPMENT

EDUCATION AND SCIENCE

- (1) field of general education:
 - a. ensure public access to the report on the implementation of budget and expenses in each school within a period of three months;
 - b. develop a new financing mechanism for schools with average and low workload within a period of six months;
 - c. approve and introduce methodology for drafting a school development plan within a period of six months;
 - d. study the effectiveness of integration of preschools into the 12-year (1+11) education system during 2017;
 - e. provide opportunities for increasing the quality and reputation of education in rural communities, learning independently the subjects of general education through the ensuring of access to video lessons during 2017;
 - f. ensure video lessons on natural science subjects and mathematics for at least 7-8 classes during 2017;
 - g. reconsider educational programmes within a year, bring them into compliance with modern requirements (for instance, integrating elements of entrepreneurship and financial education, class hours for natural science subjects, mathematics and foreign languages will be increased);
 - h. introduce a sustainable nationwide School Meals Programme in all the schools of one bordering marz (province) from 2017;

- i. enhance physical education and introduce and advocate a healthy lifestyle within schools;
 - j. finally form the national system of education through the introduction of “Ararat Bachelor’s” programme and National Programme for Educational Excellence (NPEE);
- (2) field of handicraft and secondary vocational education:
- a. modernise the programmes of educational institutions and bring them into compliance with the requirements of the labour market;
- (3) field of higher and postgraduate education:
- a. create, within six months, legislative framework for the formation of inviolable funds aimed at improving the funding system in higher education;
 - b. launch the five-year process for ensuring co-operation between higher education institutions and scientific and research organisations through the formation of network universities and scientific-educational clusters during 2017;
 - c. make a transition from state-funded scholarship to target and scholarship funding;
 - d. restrict the working age to 70 for all administrative positions;
 - e. improve quality assurance and accreditation processes in higher education, including through the increase of blind assessments and gradual prevention of retaking of examinations;
 - f. lay individual progress of a student at the core of educational programmes in higher education institutions, not the progress of a group;
- (4) science:
- a. modernise the system for granting scientific degrees in 2017, aimed at creating a system in line with European countries;

b. restrict the working age to 70 for all administrative positions within scientific and research organisations in 2017,

c. determine the main amount of funding for science for applied and experimental design programmes starting from 2018.

SOCIAL POLICY

(1) introduce new programmes aimed at ensuring improvement of the socio-demographic situation, including employment from 2017;

(2) introduce approaches ensuring social hierarchy in tariff policy for natural gas and electricity by the end of 2016;

(3) expand electronic services in the field of social protection, pay lump-sum childbirth benefits based on online applications by 2016, submission of applications for payment of pension and benefits from any territorial administration, irrespective of the place of residence from January 2017;

(4) radically reconsider the approaches to and methodology of the assessment on the insecurity of families within a period of three months, based on the principled approach of directing programmes towards the ensuring of employment of each family member with full working capacity and social assistance provided by the State, especially towards the strata of the population that lack full working capacity (children, lonely elderly people, large families and other groups);

(5) transform boarding institutions into child and family support centres throughout 2017 in order for full exercise of the right of the child to live in a family;

(6) Starting from 2017:

a. create opportunities required for the implementation of certain programmes and services in the field of social protection through delegation, and realise them in the course of three years, based on the principle of competitiveness,

- b. apply, through an experiment, the new model for definition of disability and implement individual rehabilitation programmes for persons with disabilities according to the assessed needs thereof;
- (7) introduce an electronic system for monitoring and assessing programmes implemented and services provided in the field of social protection within three years;
 - (8) envisage a flexible basis for the formation, alteration or termination of working relations, especially for small and micro enterprises, as well as ensure the basis required for multifaceted introduction of volunteer work.

HEALTHCARE

- (1) implement continuous activities for ensuring the quality, affordability and accessibility of healthcare services;
- (2) enhance the system for preventive medicine in a continuous manner;
- (3) improve public drug procurement system, ensuring the continuity of introduction of GMP standards;
- (4) adopt a national action plan on the fight against smoking within three months, which particularly includes, as main programme directions, the expansion of restrictions on cigarette use in public places, promotion of the activities aimed at raising public awareness of the dangers of smoking;
- (5) in 2017:
 - a. increase the level of transparency of the process of allocation of state funding;
 - b. launch the process of gradually introducing an electronic healthcare information system;

- c. implement activities aimed at introducing the two-level system (first level – the institute for examination of complaints within medical institutions, and second level – the institute of an independent body; the conciliator of the medical system) for examination of complaints lodged by citizens against medical institutions and disposing of disputes, launch of the institute of conciliator of the medical system starting from 2018;
 - d. continuity of the activities aimed at creating an oncology centre of excellence;
- (6) localise and introduce clinical guidelines and patient management practices within two years, based on the best international (World Health Organisation) and foreign practices;
- (7) make the transition from pre-payment to post-payment in the payment system within the scope of state funding after full introduction of an electronic healthcare system.

ENVIRONMENTAL PROTECTION

- (1) continue to restore and maintain ecological balance of Lake Sevan in line with legislative regulations;
- (2) in the course of 6 months:
- a. approve management plans for basin territories in Akhuryan, and within three years - in Sevan, Hrazdan and Northern basin territories;
 - b. draft legislation regulating the processes of drainage and cleaning of waste water;
 - c. approve management plans for Dilijan National Park;
- (3) develop approaches to environmental education and upbringing within a year;
- (4) in 2017:

- a. create a new legislative framework for environmental policy;
 - b. develop the concept paper for implementation of the principles of green economy, establish a national green economy centre;
 - c. introduce automatic systems for water resources management of fish farms in at least 20 points of Ararat Valley;
- (5) in the course of 3 years:
- a. introduce a management system for a recultivation fund;
 - b. form unified environmental information systems via modern information technologies, reinforce environmental control and supervision systems,
 - c. expand specially protected natural areas (Jermuk National Park, Ijevan Forest Reserve, Lori Lakes safeguarded landscape etc.) and improve management systems thereof,
 - d. introduce systems for the prevention of illegal deforestation through the application of new technologies,
 - e. create a centre for biodiversity conservation and environmental education in Yerevan on the basis of a botanical garden.

CULTURE

- (1) promote the economic component of the use of cultural products and services, historical and cultural heritage and cultural property through the application of the best international practices;
- (2) ensure favourable conditions for introducing the cultures of national minorities, assist in the publication of books and periodicals in languages thereof;
- (3) in the course of one year:

- a. register, document 400 Armenian historical and cultural monuments in foreign states and replenish the existing database,
 - b. design and approve 200 protection zones of immovable historical and cultural monuments in Armenia, include 10 immovable historical and cultural monuments in the unified state cadastre system,
 - c. implement activities for reinforcement, turn 2 archaeological sites into museums, study and place cultural artefacts of 15 archaeological sites in a museum;
- (4) in the course of one year:
- a. implement 40 major cultural events in the marzes of the Republic of Armenia,
 - b. create display platforms with new approaches in 5 museums in order to increase access to cultural heritage for children of various age groups;
- (5) Throughout 2017:
- a. create virtual (mobile) information systems of museums,
 - b. implement target programmes aimed at enhancing creative abilities of gifted children and adolescents, replenish the revolving fund of musical instruments with at least 70 musical instruments, develop and publish 20 textbooks and methodical manuals in Armenian for art and music schools,
 - c. implement at least 90 cultural events aimed at popularising Armenian culture in foreign states,
 - d. popularise national culture through 40 programmes implemented with state support, implement 10 target events aimed at raising the spirit of patriotism among the public.

SPORT AND YOUTH

- (1) increase the number of youth programmes in marzes within the context of balanced territorial development to a great extent, as well as increase the level of engagement of young people of marzes in the solutions to issues of youth concern;
- (2) implement activities for the recognition of informal education as an effective tool for reducing the level of youth unemployment;
- (3) promote the development of international youth co-operation and mobility of young people;
- (4) in the course of 6 months:
 - a. create new financial mechanisms for ensuring the participation of national teams of the Republic of Armenia in championships and international events of the Republic of Armenia,
 - b. develop the national action plan for popularisation of physical education and sport;
- (5) implement 5 major target programmes for all age groups for the purpose of popularising physical education and sport in 2017.

URBAN DEVELOPMENT

- (1) continue to implement the state support programme for housing of families who became homeless in a disaster zone as a result of an earthquake, end the programme in Gyumri in 2017;
- (2) develop investment programmes for major urban development complexes and introduce them at international investment exhibitions;
- (3) fully operate the electronic system for obtaining permits in the sector of urban development within a period of three months;

- (4) in the course of 6 months:
- a. modernise the components forming the pricing policy for construction activities implemented at the expense of state and community budgets in the sector of urban development,
 - b. draft recommendations for further use of incomplete constructions of residential and public significance in marzes of the Republic of Armenia that are not state and community property;
- (5) between 2017-2021, completely solve the issue of providing master plans for the settlements of the Republic.

**Minister-Chief of Staff
of the Government
of the Republic of Armenia**

D. Harutyunyan