



2022 CIVIL SOCIETY ORGANIZATION SUSTAINABILITY INDEX

ARMENIA

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2022 CIVIL SOCIETY ORGANIZATION SUSTAINABILITY INDEX

For Armenia

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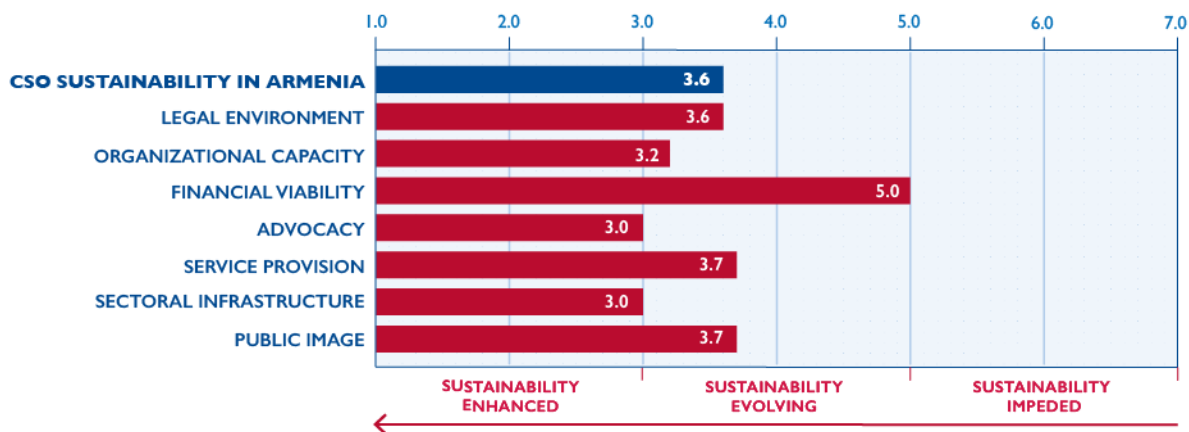
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OVERALL CSO SUSTAINABILITY: 3.6



Armenia continued to face security challenges after its defeat in a brief war with Azerbaijan over Nagorno-Karabakh (also known as the self-proclaimed Republic of Artsakh) in 2020. Despite the ceasefire agreement, conditions on the Armenia–Azerbaijan border remained unstable in 2022. Intense clashes in the summer culminated with an Azerbaijani military incursion into Armenian territory in September in which an estimated 200 Armenian and 80 Azerbaijani soldiers were killed. In addition, at least 7,600 civilians were displaced. In December, Azerbaijani civilians blockaded the Lachin corridor linking Nagorno-Karabakh to Armenia, hindering the delivery of essential food and medical provisions to 120,000 residents of Nagorno-Karabakh and deepening the humanitarian crisis in the region.

The opposition organized mass protests from April to June calling for the resignation of Prime Minister Nikol Pashinyan over his handling of the war. The police detained many participants in the protests. Among those detained was a member of the board of CSO Repat Armenia, Avetik Chalabyan. Chalabyan was apprehended on charges of attempting to bribe the chairman of the Yerevan Agrarian University's Student Council to mobilize students to attend the protests. He remained in detention for a month before being released on bail.

After Russia invaded Ukraine on February 24, 2022, more than 1 million Russian citizens entered Armenia, bringing a large influx of capital that improved the country's macroeconomic and fiscal performance. According to Central Bank data, banks in Armenia [recorded](#) an unprecedented net inflow of about \$2.5 billion in transfers in 2022, 70 percent of which came from Russia. Relocated Russians greatly increased domestic consumption, thereby fueling the expansion of the service industry and consequently boosting the gross domestic product (GDP). Overall, Fitch Ratings estimates that the Armenian economy grew by 11.6 percent in 2022, a fifteen-year high. These trends also led to the appreciation of the Armenian dram (AMD) against the U.S. dollar by 15.7 percent in the first half of 2022 and a further 3.5 percent in the second half of the year. According to data obtained from the Agency for State Register of Legal Entities of the Ministry of Justice, Russian citizens registered 2,284 limited liability companies (LLCs) in Armenia during 2022 and 4,968 registered as individual entrepreneurs.

For the second year in a row, Armenia was rated in Freedom House's 2022 *Nations in Transit* report as a transitional or hybrid government, maintaining its improvement from a semi-consolidated authoritarian regime in earlier years. The report highlighted journalism leading to criminal investigations and political reforms and successful court cases by media outlets over access to information.

The overall sustainability of the civil society sector was stable in 2022. Advocacy continued to weaken as the unstable political situation and national security concerns induced organizations to self-censor and avoid criticism of the government. All other dimensions of sustainability were unchanged.

According to the Electronic Register of the Ministry of Justice, the number of public organizations in Armenia increased from 5,659 in 2021 to 6,079 in 2022, and the number of foundations increased from 1,476 in 2021 to

1,601 in 2022. However, these counts include many inactive organizations. As in previous years, 225 unions remain registered although they have not been considered legal bodies since legislative changes in 2017. They are supposed to modify their charters and re-register as either foundations or public organizations, but the process has stalled, largely because of a lack of legislative enforcement.

Approximately 250 CSOs are registered in Nagorno-Karabakh. Experts estimate that fewer than 20 percent of these are active. Functioning CSOs engage mostly in philanthropy, humanitarian assistance, and social aid and in 2022 were especially focused on responding to the challenges caused by the blockade. During the year, CSO representatives met with the president of Nagorno-Karabakh to discuss pressing issues, and twenty-three organizations worked with the Artsakh Human Rights Defender's Office to compile a report detailing the extensive, systematic human rights violations resulting from the blockade. The authors intend to distribute the report to international organizations and human rights groups as an independent account of the crisis.

LEGAL ENVIRONMENT: 3.6



The legal environment governing CSOs was unchanged in 2022.

The constitution guarantees freedom of association, with restrictions only in cases that affect state security, public order, health and morals, or the rights and freedoms of others. The legislative framework enables the registration of two types of organizations—membership-based public organizations, regulated by the Law on Public Organizations, and non-membership foundations, regulated by the Law on Foundations. Public organizations may be formed by multiple individuals or legal entities, although political parties, religious organizations, and trade unions may not be founders or members. Foundations may be established by individuals or legal entities without restrictions based on residency,

nationality, or citizenship. Judges are not allowed to manage nonprofit organizations.

The Agency for State Register of Legal Entities under the Ministry of Justice is responsible for CSO registration. The process for registering both public organizations and foundations is generally easy and straightforward and consists mainly of verifying legal compliance. Organizations are usually advised to align their charters with a template provided by the Agency for faster registration. Some groups seeking to register complain that the template is inflexible and inconvenient. The registration process typically takes up to ten working days and costs approximately USD 27. Online registration is still not possible for CSOs. (In contrast, businesses may register online, usually within two days, free of charge.) Individuals, organizations, and civic initiatives may associate freely without formal registration. Online association is not restricted.

There were no cases of involuntary dissolution of CSOs in 2022. Fourteen organizations dissolved voluntarily. Many inactive CSOs choose not to dissolve because of the associated costs and red tape.

According to amendments to the Law on Public Organizations implemented in May 2021, public organizations and foundations must submit annual reports on their activities and budgets to the State Revenue Committee, which publishes the reports on its website. CSOs consider the reporting requirements generally straightforward and not overly burdensome, although they do complain that the State Revenue Committee website has limited functionality. Foundations must additionally provide annual audit reports if the value of their assets exceeds AMD 10 million (approximately USD 25,000) at the end of the reporting year. Public organizations are required to submit audit reports if they receive more than AMD 10 million (around USD 25,000) in funds from the state or local self-government bodies during the reporting year. Failure to comply with reporting requirements can lead to sanctions as prescribed by law. From January to September 2022, fines of approximately AMD 50,000 (approximately USD 125) were imposed on twenty-six public organizations and three foundations for failing to meet reporting obligations within the specified timeframe, according to the European Center for Not-for-Profit Law's CSO Meter. Six public organizations and one foundation received additional fines of approximately ADM

200,000 (approximately USD 500) for failing to publish reports after the initial penalty. No public organizations were sanctioned for engaging in activities that contradicted their charters in 2022.

Law enforcement agencies interfered several times with the exercise of freedom of assembly in 2022. For example, authorities reportedly used disproportionate force during opposition protests in May and June. In August, police in Yerevan briefly detained without explanation about twenty individuals protesting Russia's war in Ukraine. In September, police banned a protest in front of the Russian embassy and briefly detained two activists. The Committee to Protect Freedom of Expression reported an increase in violence against journalists and documented twenty-six incidents involving thirteen victims in 2022, with perpetrators including both public officials and private individuals. In September, thirty-five CSOs issued a joint call for the dismissal of the country's chief of police, expressing concerns about an incident involving the excessive use of force and unlawful detention of relatives of fallen servicemen at the Yerablur military pantheon, where soldiers who were involved in the border conflict are buried.

In July 2021, Yezidi human rights activist Sashik Sultanyan was indicted for allegedly inciting national, racial, or religious enmity based on comments he made to a journalist in Iraq in which he raised human rights concerns regarding the treatment of the Yezidi community in Armenia. The trial against him was suspended in October, after the court determined he had left the country in July. The court subsequently issued a warrant for his arrest. International human rights organizations criticized the prosecution, considering Sultanyan's remarks as protected speech and viewing the case as a threat to democracy.

CSOs may raise funds from foreign donors, engage in fundraising campaigns, and charge for goods and services. They may also participate in government tenders, although the requirement that public organizations, unlike businesses, submit audit reports if their annual income from public budgets exceeds AMD 10 million (approximately USD 25,000) acts as a disincentive to doing so. Any income generated from these various activities must be used exclusively to achieve the objectives stated in an organization's charter.

There is no legal framework for social enterprises. Instead, social enterprises operate under a variety of legal forms, including individual enterprises, LLCs, CSOs, foundations, and cooperatives. In addition, some social enterprises operate as projects within CSOs. No progress was made in 2022 on the Social Entrepreneurship Development Program.

The laws pertaining to taxation tend to be more advantageous for businesses than for CSOs. Unlike businesses, CSOs are unable to benefit from simplified taxation schemes, such as turnover tax or microenterprise options. Fiscal incentives to encourage donations to CSOs are limited. While commercial organizations may deduct up to 0.25 percent of their gross annual income for donations to eligible CSOs, individual donors are not eligible for tax deductions. CSOs tend to undergo fewer tax inspections than businesses.

As the sector's demand for legal services is low, CSO-related law is not an attractive field for legal experts and the number of specialists in this field is limited. However, CSOs have access to legal advice from the Armenian Lawyers' Association (ALA), Transparency International's Anticorruption Center (TIAC), A.D. Sakharov Armenian Human Rights Protection Center, NGO Center (NGOC), Eurasian Partnership Foundation (EPF), and other organizations. With remote work increasingly widespread, legal expertise has become more accessible for CSOs in both the capital and secondary cities.

ORGANIZATIONAL CAPACITY: 3.2

CSOs' organizational capacity was largely steady in 2022, with a few minor advances reported.

As tensions persisted in the Armenian-Azerbaijani border region, CSOs focused on delivering humanitarian aid to their communities. After many people were displaced by the armed conflict in September, several CSOs shifted their focus from democracy, anti-corruption, human rights, and government accountability to transporting civilians from border communities to safe locations. This undertaking enhanced CSOs' collaboration with local governments and businesses and improved their management capabilities.

Although CSOs develop strategic plans to meet donor requirements, they often do not follow them in practice. CSOs engaged in social entrepreneurship have improved their capacities to identify target audiences and develop strategic models in order to promote their goods and services and diversify their income sources.

In 2022, Armenian CSOs continued to improve their ability to develop and implement organizational procedures for managing human resources, planning, and procurement. Larger CSOs have defined policies, procedures, and systems for their internal management and governance, to which they usually adhere. Smaller and regional CSOs often lack well-defined organizational structures and the resources needed to develop them, as funding for organizational development is difficult to secure. Only a few large CSOs can afford to maintain staff permanently. Most other CSOs outsource professional services such as accounting, information technology, and marketing.

CSOs, especially those operating at the regional level, experienced notable success in engaging volunteers in 2022. For example, Restart Vanadzor NGO has actively involved local volunteers in project management and media-related activities. Young people increasingly embrace the concept of volunteering as they recognize its potential for enhancing their career opportunities. The Youth Initiative Center NGO based in Gyumri successfully established three Youth Houses in the Armarir and Gegharkunik regions during 2022, adding to those already operating in Shirak and Lori regions. These facilities provide a platform for local youth to participate in voluntary work and community-building initiatives. In 2022, Russian migrants settling in Armenia after the start of the war in Ukraine contributed significantly to the growth of volunteerism by initiating and participating in diverse volunteer initiatives, particularly those with an ecological focus. They have organized voluntary groups dedicated to cleaning parks, reservoirs, gorges, and roads in communities like Dilijan, Etchmiadzin, and Yerevan.

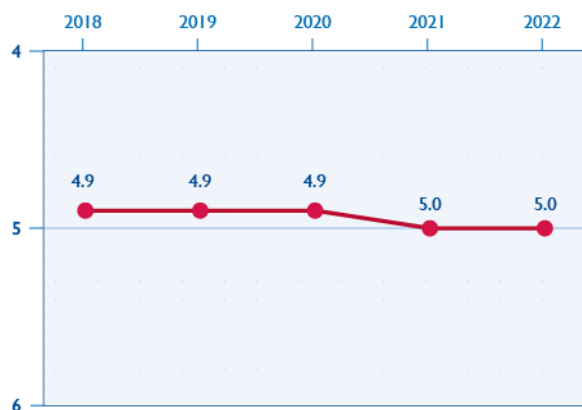
Throughout 2022, CSOs continued to develop technical skills and leverage digital technology effectively. Armenians enjoy widespread access to affordable internet services. Many CSOs have a strong presence on popular social media platforms such as Facebook, YouTube, Instagram, and Telegram, and their use of these platforms increased in 2022. Regionally based CSOs, particularly youth initiatives, continued to benefit from the availability of free office space provided by local governments. Armenian CSOs have yet to prioritize cybersecurity.

ORGANIZATIONAL CAPACITY IN ARMENIA



FINANCIAL VIABILITY: 5.0

FINANCIAL VIABILITY IN ARMENIA



CSOs' financial viability, which has long been the weakest dimension of sustainability in Armenia, was unchanged in 2022.

The level of foreign donor funding was largely stable in 2022. Prominent foreign donors supporting the CSO sector include the European Union (EU), USAID, and the Black Sea Trust for Regional Cooperation. Large donor-funded projects in 2022 included Strong CSOs and Local Partnerships for Accountable Communities and Inclusive Social Protection in Armenia (2021–2024), Civil Society Resilience and Sustainability (2020–2024), and Eastern Partnership Civil Society Facility (2021–2024), all funded by the EU. In 2022, Counterpart International launched the USAID-funded Civil Society in Action activity, which

aims to improve CSOs' financial viability, enhance the organizational capacity of community-based organizations, promote CSO-government dialogue on public policy, and strengthen locally-led development. Smaller grants were provided by the Swedish, Dutch, and German governments; the US, Czech, and Japanese embassies; and the German Robert Bosch Stiftung, Friedrich-Ebert-Stiftung, and Heinrich Böll Stiftung. At the end of 2022, Open Society Foundations–Armenia announced that it would become a fully independent foundation and discontinue its

affiliation with the Open Society Foundations global network. The new foundation, called Democracy Development Foundation, started operating in March 2023 with a mission of advancing democracy, security, and human rights. It will be an operational foundation and will not provide grants to other CSOs.

CSOs in Yerevan and the regions increasingly partner to apply for funding and implement programs. For example, Urban Foundation, a CSO based in Yerevan, together with regional CSOs, such as Armenian Caritas, Women for Development NGO, Compass Research, Training, and Consultancy Center, and NGOC, formed a consortium to apply for the USAID-funded CapSLoc: Capacities for Sustained Locally-Led Development program, which aims to increase the capacity and resilience of the Akhuryan community to lead its own development. Large organizations often award sub-grants to smaller organizations, and regional CSOs have increasingly secured sub-grants from well-established local organizations in recent years. For example, the Association of Social Workers provided subgrants to nine regional CSOs under the Together for Social Communities project funded by the EU and the Austrian Development Cooperation. Similarly, under the Labor Action: Collaborative Effort for Accountable and Inclusive Employment project, funded by the EU, Armavir Development Center allocated sub-grants to regional CSOs to conduct shadow monitoring of the observance of labor rights in both private and public sectors. Although appreciative of these opportunities, small and newly founded CSOs express concern about their limited direct access to donor funding as they see the same well-known CSOs receiving most donor funding from year to year. Smaller, regional CSOs believe that their reliance on such sources of income limits the scope of their activities and does not always align with their capabilities, which can impact the program quality.

Various ministries continue to allocate funding to CSOs. In general, authorities show a more favorable and responsive attitude towards service-providing CSOs, as opposed to those focused on human rights, watchdog, or environmental initiatives. There continues to be a lack of capacity and skills among public servants to monitor awarded grants. In 2022, CSOs such as NGOC were involved in public hearings focused on replacing and improving the process of the ARMEPS electronic procurement system, which has been marred by poor technical and functional capabilities. The Ministry of Finance will use the suggestions made by CSOs and others at the public hearings as it reforms the website to accommodate the requirements of various stakeholders.

The government also continued to outsource social services to CSOs in 2022. The majority of state funding is allocated to projects related to social, educational, cultural, and sporting endeavors. For example, the Ministry of Labor and Social Affairs contracted with local CSOs including Women's Rights Center, Young Tavush, Talin Hope, Women's Empowerment Resource, and Family without Violence to provide psychological support and shelters to victims of domestic violence. The financial support extended to CSOs mainly takes the form of one-year grants based on the annual budget of the granting body. CSOs face challenges both in winning contracts and in implementing such contracts, such as delayed transfers of funding.

Although local governments are legally allowed to allocate funding to CSOs through a separate budget line, they rarely do so. To the extent that they do, this funding generally benefits social and youth organizations, often for one-time events like festivals or humanitarian assistance. Local governments often rely on discretionary methods to allocate these funds. In-kind support at the local level is usually limited to the provision of space in community-owned buildings.

Armenian CSOs seek to attract revenue in different ways. Organizations increasingly use online platforms and other electronic tools to raise funds. The main crowdfunding platforms used by CSOs include ReArmenia, Project Harmony, and Ayo!. In 2022, the ReArmenia platform raised funds to support innovative initiatives. For example, it supported programs that made programming accessible at schools in Armenia and Nagorno-Karabakh (for example, the MOONQ technoschool was launched in Nagorno-Karabakh), produced wheelchairs for people wounded in the war, and provided solar water heaters in rural communities, among other initiatives. CSOs have also started to integrate “donate” sections into their websites to encourage online giving.

CSOs have limited ability to generate income through service provision, the sale of products, and rentals. Donors such as the EU support social enterprises, primarily newly established initiatives. Older social enterprises found the market for their services unfavorable in 2022 and as a result remained highly dependent on donor funding.

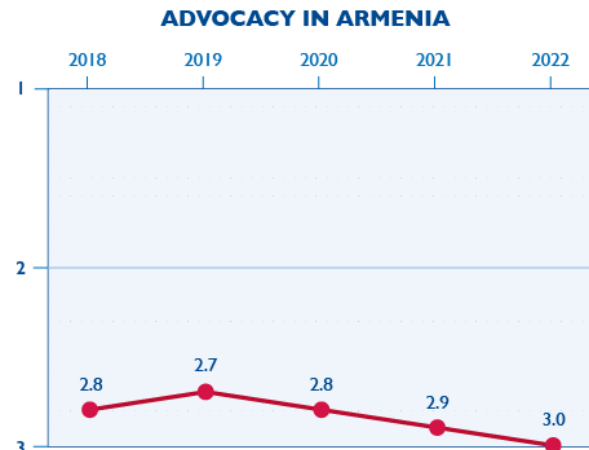
Corporate philanthropy remained limited in 2022. Most companies prefer to carry out corporate social responsibility projects without involving CSOs.

Mandatory government and donor reporting requirements encourage CSOs to maintain sound financial management systems. CSOs undergo external audits when required by the state or donor organizations. As a rule,

CSOs outsource financial management and accounting services. Exchange rate fluctuations significantly challenged CSOs' ability to plan programs funded by international donors, affecting their ability to allocate resources optimally and limiting their purchasing power.

ADVOCACY: 3.0

CSO advocacy continued to weaken in 2022 as the unstable political and security situation induced organizations to self-censor and avoid criticizing the government. In particular, CSOs that focus on democracy, corruption, human rights violations, and government transparency curtailed their advocacy activities, limited their efforts to making calls to international organizations, or shifted their focus to humanitarian concerns. As CSOs drew back from advocating directly with the government, their oversight of government activities was compromised. Unlike in previous years, the prime minister did not meet with CSO representatives. Armenia's score on V-Dem's civil society participation index decreased slightly from 0.71 in 2021 to 0.7 in 2022, suggesting a decline in the frequency with which policymakers consult CSOs.



Public councils operating under the auspices of government ministries are meant to ensure CSOs' access to government decision-making processes. But CSOs often question whether the public councils have any purpose beyond the purely formal. These bodies were mostly inactive in 2022. As of October 2022, public councils had only met in six of twelve ministries and three of these bodies only met once. The government has taken a few steps to improve the operations of public councils. In May 2022, for example, it adopted the Public Administration Reform Strategy, which suggests reforms to the councils and other mechanisms to promote more inclusive and transparent decision-making processes.

The government publishes draft bills for public review, discussion, and comment on the www.e-draft.am portal. However, CSOs do not consider the portal an effective advocacy tool because it does not facilitate meaningful two-way communications. CSOs have reported that even subscribers to the portal do not receive proper notification when new documents are posted, and many organizations feel that their comments have little impact. CSOs also submit individual and collective petitions related to the activities of national, regional, and local authorities through the www.e-petition.am platform. However, there is a lack of public awareness about these platforms. In addition, to access the platform, a special device must be used to scan an identification card; most citizens do not have this device, thus limiting use of the platform.

Despite these challenges, CSOs and the government collaborated successfully on several initiatives in 2022. For example, CSOs including TIAC, NGOC, Armavir Development Center, and Asparez Journalists Club played a significant role in developing the new Open Government Partnership Action Plan for 2022–2024. Seven of their ten recommendations were included in the final action plan. These aimed to increase participation, for example, by setting up electronic tools that allow more effective and large-scale participation in state and community budget design processes, modernizing the institutional system of communication in the government, and addressing gaps and any inconsistent and discriminatory approaches in the area of government-CSO communication.

During 2022, Armenia concluded the ratification process of the Council of Europe Convention on Access to Official Documents. This is the first international document of this level in which states not only acknowledge the right to access information but also pledge to safeguard and collaborate on ensuring this right. The Freedom of Information Center of Armenia (FOICA) played an active role in advocating for the ratification of the Convention and will be actively engaged in monitoring its implementation.

The National Security Service released a draft law on state secrecy in July 2022 that included a new concept called "limited service information." This type of information, although not classified as secret, would still be subject to restricted dissemination because of its potential to harm the country's security, foreign relations, political, and

economic interests or the rights and interests of individuals and other entities. Several CSOs including Open Society Foundations-Armenia, TIAC, Protection of Rights Without Borders, and Helsinki Civil Assembly Vanadzor Office criticized the proposal as an unnecessary limitation on freedom of information. Although the government incorporated a few of CSOs' suggestions for revising the law, the problematic provisions remained in the draft, which was approved by the government and sent to parliament in November 2022.

CSOs successfully used strategic litigation to promote access to public information in 2022. A court upheld a claim by FOICA against seven municipalities, mandating that these municipalities publish all the information subject to compulsory disclosure as defined by the Law on Freedom of Information on their official websites.

During 2022, CSOs continued their advocacy against the “grave insults” law, which the National Assembly adopted in 2021. This law criminalizes “grave insults” and any offense to others’ dignity in an “extremely indecent manner,” imposing a fine of AMD 500,000 (around USD 1,250) for such actions. The Constitutional Court upheld the constitutionality of this law. Nevertheless, the law faced significant criticism from both local and international experts and CSOs, such as Media Initiative Center, FOICA, Journalists for the Future, Journalists for Human Rights, and Freedom House, who argued that it restricted freedom of speech. As a result, in June 2022, the government decriminalized grave insults.

CSOs were actively involved in police reforms in 2022. In particular, Union of Informed Citizens, Helsinki Civil Assembly Vanadzor Office, and Driver's Friend were involved in the Board of Police Reforms, which was formed at the initiative of the Union of Informed Citizens. The Board accepted several suggestions made by CSOs, including the establishment of a water police unit in Lake Sevan, enhancements to the educational modules of the patrol service, and improvements to the website activesociety.am.

Environmental CSOs continued to engage in advocacy in 2022. In 2009, the Armenian government granted a permit to Lydian Armenia CJSC to operate the Amulsar gold mine. This led to protests by local citizens and CSOs over the following years. In 2019, Lydian Armenia sued environmental activist Tehmine Enokyan for defamation, seeking compensation of AMD 1,000,000 (around USD 2,500) for damage to its business reputation. In July 2022, the Court of Appeals ordered Enokyan to publicly refute her statement and pay Lydian Armenia over AMD 1,000,000. Enokyan appealed this decision, but the Court of Cassation upheld it in December 2022. Sixty-two CSOs published a statement expressing their deep concerns over the oppression faced by environmental activists within the country's judicial system, noting that the trial against Enokyan is a threat to democratic values, aiming not only to silence Enokyan but also to discourage other activists.

A coalition of Armenian CSOs issued an appeal on December 15, 2022, to the Secretary General of the United Nations (UN), UN special rapporteurs, the Council of Europe, and EU bodies urging immediate action regarding the humanitarian crisis resulting from the blockade of the Lachin corridor.

CSOs were also involved in the public discussion of the draft law on volunteering and voluntary work organized by the National Assembly Standing Committee on Labor and Social Affairs and the Ministry of Labor and Social Affairs, with the support of the International Republican Institute. The main purpose of the proposed law is to define the common legal bases of volunteering and voluntary work.

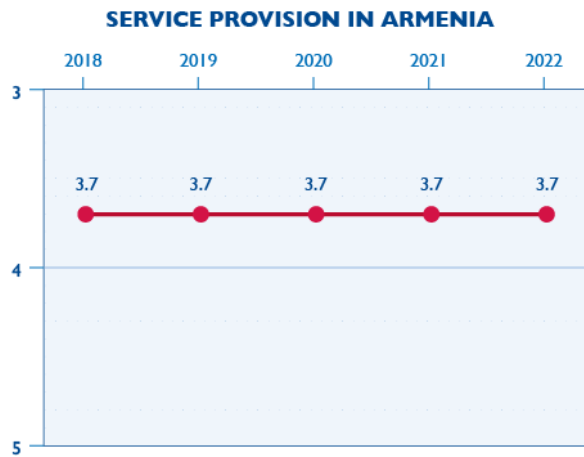
SERVICE PROVISION: 3.7

CSO service provision was unchanged in 2022.

CSOs continued to provide a wide range of services to their constituencies and beneficiaries, including humanitarian, social, economic, health-care, psychological, educational, and cultural services. CSOs demonstrated resilience and adaptability and diversified their services in 2022 in response to the border conflict, providing affected populations with humanitarian aid, social support, and education. For example, People in Need, Armavir Development Center, and Armenian Red Cross Society provided humanitarian aid during the conflict and later conducted training on civic protection and first aid.

The unstable security situation encouraged CSOs to engage with new beneficiaries in 2022. Many organizations expanded their mandates to address the needs of displaced individuals, families affected by the conflict, and other vulnerable groups. Some organizations have begun to employ various marketing tools to reach intended beneficiaries. For example, some CSOs effectively utilized digital platforms, including social media networks, to

engage with their target audiences, while organizations like the Helsinki Civil Assembly Vanadzor Office, TIAC, Education and Solidarity Trade Union, and Factor TV actively organized and facilitated face-to-face discussions.



CSOs adhere to the principle of non-discrimination in the provision of goods and services as mandated by the Law on Public Organizations. While membership associations primarily serve their members, some extend their activities to wider audiences. For example, the Social Entrepreneurship Association, Corporate Governance Center, Small and Medium Business Association, and Chamber of Commerce and Industry make their products and services available to all businesses, whether or not they are members.

Some CSOs, such as NGOC, Partnership and Teaching NGO, Compass, Disability Rights Agenda, International Center for Human Development, and Youth Cooperation Center of Dilijan, have diversified their revenue streams by offering paid rental services, consultancy, and research, including market publications,

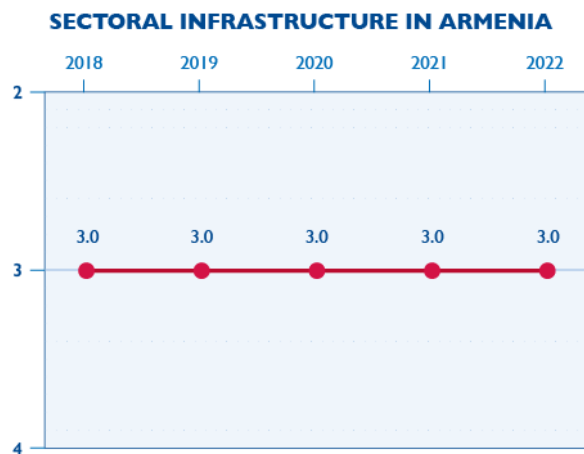
workshops, and expert analysis. However, there is a lack of festivals, exhibitions, conferences, and other events that could facilitate the promotion and sale of CSO goods and services. In recent years, several CSOs have founded social enterprises to generate income. A significant portion of these initiatives depend on funding from donors and have yet to attain self-sufficiency.

The government acknowledges the valuable contributions of CSOs in the social sector by outsourcing services to them. In 2022, CSOs signed more than ninety contracts with the Ministry of Labor and Social Affairs to provide services. For example, Mission Armenia, Armenian Caritas, SOS-Children’s Villages, and Full Life all received contracts to provide care to elder citizens and children.

SECTORAL INFRASTRUCTURE: 3.0

There were no changes in the infrastructure supporting the CSO sector in 2022.

Several intermediary support organizations (ISOs) and resource centers, including EPF, NGOC, Partnership and Teaching NGO, TIAC, the Infotun network, Armavir Development Center, and ALA, offered valuable assistance to CSOs in 2022. These organizations offered various capacity-building programs, as well as experience-sharing activities to promote cooperation between CSOs and active local actors and to increase the visibility of CSOs. The CSO DePO portal continued to offer a consolidated platform for announcements, news, information on grant opportunities, and other resources. ISOs and resource centers usually offer their services free of charge. Local grantmaking organizations include EPF, Women’s Fund Armenia, Gulbenkian Foundation, Urban Foundation, Armavir Development Center, and NGOC. With the exception of the Gulbenkian Foundation, these organizations depend on funding from international organizations for these grants.



CSOs frequently engage in consortia, recognizing the advantages and effectiveness of such collaboration in tackling intricate challenges. A number of dynamic coalitions significantly influence the overall landscape of their respective domains. Notable examples include the Coalition to Stop Violence Against Women, comprising ten CSOs, and the

CSO Anti-Corruption Coalition of Armenia, which consists of over seventy CSOs. However, collaboration between CSOs operating in different fields is limited.

CSOs in Yerevan and the regions continued to benefit from capacity-building and training programs in 2022. Donor-funded projects, including those supported by the EU, USAID, and UN Development Programme (UNDP), offered training opportunities covering a wide range of topics, such as strategic management and communication, human resources management, internal governance, financial sustainability, youth entrepreneurship, advocacy, and women's empowerment. Training was offered both online and in person.

Collaboration between CSOs and the government is still not institutionalized and there are no established strategic plans to guide such partnerships. However, the Ministry of Labor and Social Affairs maintains strong connections with CSOs involved in the delivery of social services, and the Legislation Development Center of the Ministry of Justice collaborates with various CSO stakeholders. The engagement of CSOs with businesses during the border tensions has helped increase cooperation between the two sectors. In general, however, partnerships between CSOs and the private sector remain limited, as businesses commonly choose to conduct charitable initiatives without CSOs.

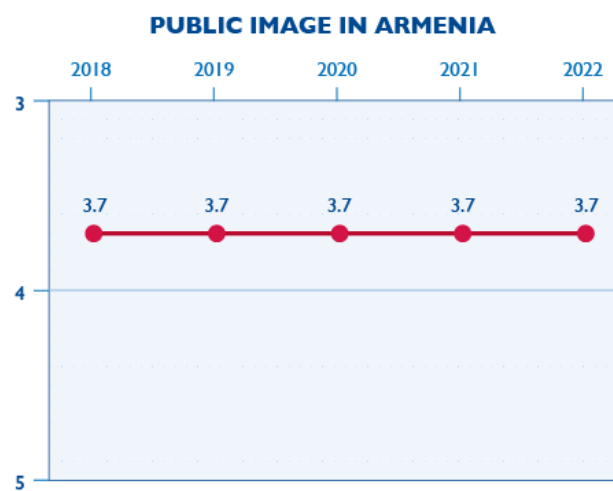
PUBLIC IMAGE: 3.7

CSOs' public image was affected by both positive and negative trends in 2022, resulting in little overall change.

CSO representatives are increasingly involved in public discussions, particularly on online media platforms. Unless their activities intersect with those of international organizations or governmental structures, however, CSOs generally only receive coverage or platforms for discussion from like-minded media sources, such as I in.am, Aravot.am, Lragir.am, Factor TV, AI+, medialab.am, Article 3 Club (operated by For Equal Rights), Media Center (managed by the Public Journalism Club), and the Infocom Information Committee. This coverage still tends to lack substantive analysis and depth. Other outlets are more hostile to CSOs and provide mainly negative coverage. These include Yerkir Media, ArmNews, Hraparak, and 5th Channel.

The public was favorably impressed by CSOs' efforts to deliver humanitarian aid and address the pressing needs of groups affected by the border conflict in 2022. The community-level work carried out by CSOs and civic initiatives such as People in Need, Syunik Women's Resource Center Network, Work and Motherland Regional Development NGO, and Voma NGO, especially after September, contributed significantly to improving CSOs' public reputation. In regional areas, public perceptions of CSOs tend to be generally positive, as their work is readily visible.

Overall, however, the public continues to associate the CSO sector with the authorities and often attributes government failures to the sector. This is due to the fact that following the Velvet Revolution in 2018, several civil society activists assumed positions in the government, National Assembly, and other state structures. CSOs themselves, particularly organizations involved in environmental and human rights causes, have further contributed to this perception. Environmental CSOs, for example, have not achieved any success concerning the Amulsar mine, the most widely covered environmental topic in recent years. CSOs dedicated to safeguarding human rights are seen as being passive in response to cases involving violations of freedom of speech and human rights, especially when these cases involved opposition representatives. This perceived inaction, combined with CSOs' self-censorship, has created public doubt about CSOs' principles and mission. The lack of collaboration and highly competitive relationships among some CSOs has also reinforced negative public perceptions.



Many CSOs have communications strategies aimed at ensuring transparency in their activities. However, their implementation of these strategies is often ad hoc. Many CSOs have a strong presence on social media.

Following implementation of new financial reporting requirements in May 2021, the CSO sector has improved its overall transparency and accountability by publishing reports on financial flows on their websites. This has helped raise public awareness about CSOs' activities and operations, although most of the reports published are quite generic, with limited detail about CSOs' operations and finances. Only larger CSOs have made additional efforts to ensure transparency by adopting codes of conduct and providing user-friendly reports.

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