



2019 CIVIL SOCIETY ORGANIZATION SUSTAINABILITY INDEX

Armenia

July 2020



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Cover Photo: Members of the Beresan Youth Bank present their achievements at the 2018 Annual Civil Society Development Forum, an event organized by Ednannia with support from USAID. The Forum is the largest national platform for learning, communication, and experience sharing among nonprofit organizations in Ukraine, typically bringing together approximately 2,500 participants from the non-profit and private sectors, donor community, media, governmental bodies, and local authorities.

Photo Credit: Ednannia, Ukraine

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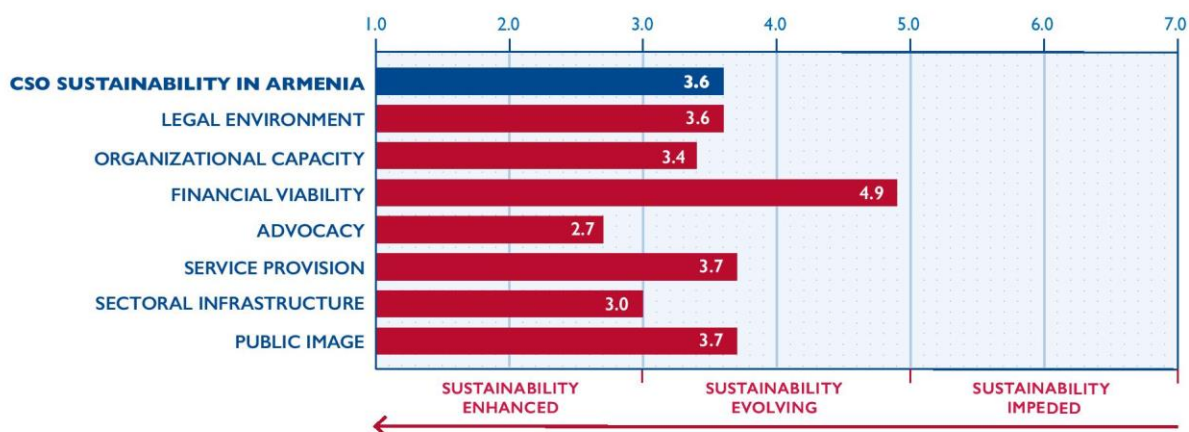
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OVERALL CSO SUSTAINABILITY: 3.6



After coming to power through the 2018 Velvet Revolution, the new government and political authorities in Armenia announced that they would introduce a more supportive environment for CSOs marked by greater cooperation between the state and the CSO sector. Meanwhile, supporters of the previous regime initiated a media campaign targeting both the new government and the CSO sector, particularly CSOs engaged in the areas of human rights and democracy. As a result, virtual space and news media became more polarized and replete with disinformation.

In 2019, the new government introduced measures to combat corruption and also began implementing reforms to the judicial, tax, and social systems. Investigations and court procedures were initiated against former government officials and law enforcement authorities, some of which focused on corruption. Most notably, in September, the trial of former President Robert Kocharyan began for his role in the violent breakup of protests in 2008, which led to the deaths of eight civilians and two police officers. Meanwhile, current government officials declared the judiciary to be the last “fortress” of the past authorities and announced that they would take steps to remove entrenched and corrupt judges. These efforts were eventually replaced with gradual reforms to the judiciary, including the establishment of new monitoring commissions and improvement of recruitment processes for judges.

After the Velvet Revolution, Armenia’s position on the Reporters Without Borders World Press Freedom Index improved. In 2019, however, there were several disturbing trends affecting freedom of the press, including increased pressure on the media and violations of the right to receive and disseminate information.

The CSO sector’s overall sustainability did not change significantly in 2019, although improvements were noted in both the organizational capacity and advocacy dimensions. Over the past several years, a number of donor-funded projects have focused on building the organizational capacity of CSOs, including the development of missions, management structures, policies and procedures, transparency and accountability, and human resource procedures. CSO advocacy improved as CSO coalitions had increased influence on the development of public policies.

According to the State Register of the Ministry of Justice (MoJ), there were 4,794 public organizations (compared to 4,222 in 2018), 1,212 foundations (compared to 1,120 in 2018), and 228 legal entity unions (compared to 244 in 2018) registered in Armenia as of the end of 2019. Following the implementation of legislative changes in 2017, legal entity unions are no longer considered legal bodies. Existing legal entity unions were required to modify their charters and re-register as foundations or public organizations by February 2019. The 228 legal entity unions remaining on the State Register at the end of the year did not voluntarily dissolve or re-register by the deadline. While the Law stipulates that these organizations should be dissolved, no regulation has been issued to guide this process, therefore these organizations remain on the books but cannot act legally.

LEGAL ENVIRONMENT: 3.6



The legal and regulatory environment governing the CSO sector did not experience any significant changes during 2019.

Legal procedures and regulations regarding CSO registration are generally favorable. Two types of CSOs can be formally registered in Armenia: membership-based public organizations regulated by the Law on Public Organizations, and non-membership foundations regulated by the Law on Foundations. Registration of a public organization takes up to ten working days, while the registration process for a foundation should be completed within fifteen working days. There is still no online registration system for CSOs. CSOs can operate without registration as long as they adhere to general legal regulations and do not engage in financial

transactions. Non-registered civil society groups have access to some sources of funding, such as crowdfunding and local philanthropy.

The process to close or liquidate a CSO continues to be complicated. As a result, the official number of registered CSOs continues to rise as defunct organizations remain on the books. MoJ dissolves CSOs that fail to submit tax reports on time based on lists provided by the State Revenue Committee (SRC). However, MoJ does not make any statistics available regarding the number of CSOs dissolved.

The Law on Public Organizations and the Law on Foundations clearly define the roles and responsibilities of boards, supervising committees, executives, and members. The legal framework places no limitations on the scope of permissible CSO activities. A CSO can represent its constituencies in court, although this requires it to obtain a notarized power of attorney, which imposes additional costs. CSOs can only initiate public interest cases in the courts in the area of environmental protection.

The legal framework protects CSOs against government abuse and interference in their internal affairs by third party actors. CSOs have the right to assemble and participate in peaceful public protests. During 2019, CSOs and their members did not report any violations of these legal rights or any abuse by state institutions or groups acting on behalf of the state.

The constitution guarantees the freedom of expression, and CSOs are able to freely address matters of public debate and express criticism without significant censorship. However, CSOs working in sensitive areas such as domestic violence, women's rights, and issues affecting the lesbian, gay, bisexual, transgender, and intersex (LGBTI) community are more cautious in their communications. Furthermore, post-revolutionary self-censorship has become an issue with some CSOs that support the new government avoiding criticizing it in order to uphold its reputation.

According to the Law on Public Organizations, a public organization that receives funding from public sources in excess of AMD 5 million (about \$10,000) is required to disclose an independent auditor's report. Due to the successful advocacy efforts of CSOs, an amendment to the law was adopted in 2019 that doubled the mandatory auditing threshold to AMD 10 million (about \$20,000). However, many CSOs do not have the resources to pay for professional financial audits. Because of this, when participating in the bidding process for government procurements, many public organizations include the cost of audits in their budgets, which increases their costs and reduces their competitiveness against private businesses.

CSOs are allowed to conduct fundraising activities, organize crowdfunding campaigns, and receive foreign donations. CSOs also may earn income through the provision of goods and services and through the establishment of social enterprises, but profits must be used towards accomplishing the goals stipulated in their organizational charters.

According to the Tax Code, CSOs are subject to a 20 percent value-added tax (VAT) on their income if their total annual income exceeds AMD 58.35 million (about \$117,000). CSOs are eligible for exemptions from VAT for purchases under certain projects and procurements when there is an inter-governmental agreement between

Armenia and the donor country and when the projects are deemed charitable by the government. To access these exemptions, eligible CSOs must apply to the State Humanitarian Commission. Commercial organizations and corporate donors can deduct donations to eligible CSOs from their taxable income up to 0.25 percent of their gross annual income; individual donors do not receive any tax deductions.

Although the tax regulations governing the CSO sector have improved over the past several years, CSO taxation issues are still marked by uncertainty and complexity. Some CSO representatives have noted that the SRC treats CSOs like businesses as it lacks an understanding of the specific characteristics and needs of the CSO sector.

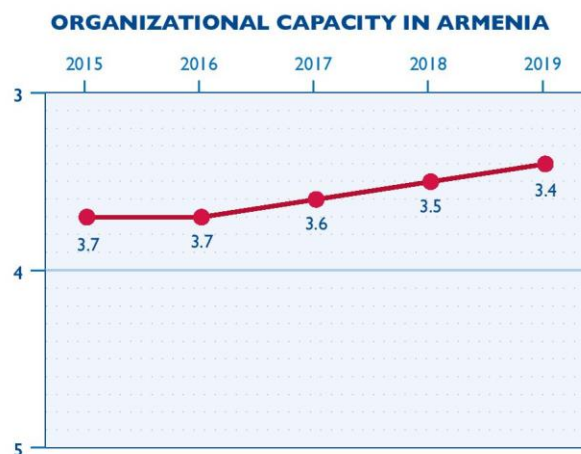
CSOs directly engaged in entrepreneurial activities receive no special fiscal benefits. The procedures and regulations governing entrepreneurial activities are vague and susceptible to different interpretations. For instance, although the Law on Public Organizations states that CSOs directly engaged in entrepreneurial activities could be subject to simple form taxation, the new Tax Code, which entered into effect on January 1, 2020, does not provide any information on this matter. CSOs engaged in entrepreneurial activity must maintain separate accounting records of their operations, which imposes an administrative burden on them.

Taxation of social enterprises did not change during 2019, although the new Tax Code proposed an improved taxation system for small enterprises (micro-businesses). CSOs can benefit from a significantly lower tax burden under the new tax regime if they also manage social enterprises established as limited liability companies that could also be classified as micro-businesses.

Several organizations provide CSOs with legal assistance related to CSO laws and regulations. These include the Armenian Lawyers' Association (ALA), Transparency International's Anticorruption Center (TIAC), the A.D. Sakharov Armenian Human Rights Protection Center, the NGO Center (NGOC), the Eurasian Partnership Foundation (EPF), and the Civic Development and Partnership Foundation (CDPF). During 2019, for example, ALA provided legal advice to 207 public organizations on topics such as re-registration and drafting charters. However, few lawyers in the country specialize in CSO law due to the lack of demand for such services.

ORGANIZATIONAL CAPACITY: 3.4

Organizational capacity within the CSO sector improved slightly in 2019. Over the past several years, several donor-funded projects have supported the development of CSOs' organizational capacity, including mission development, management structures, policies and procedures, transparency and accountability, and human resource procedures. These projects include the European Union (EU)-funded STRONG CSOs for Stronger Armenia (2015–2018), the USAID-funded CSO Development Program (CSO DePo, 2014-2019) and Engaged Citizenry for Responsible Governance (2014–2021), and the EU-funded Bridge for CSOs (2016–2019). Among the impact of these projects are an increased ability among CSOs to identify and build relationships with potential constituents and beneficiaries. Generally, regional CSOs are more aware of the needs of their constituencies than national organizations based in the capital of Yerevan.



Partly as a result of these donor-funded capacity-building projects, CSOs increasingly formulate goals, missions, and action plans and a growing number of CSO leaders have acknowledged the need to utilize strategic plans and strategic planning techniques. Additionally, more methodological guidance and experts have become available to assist in strategic plan development. According to the endline study of the USAID-funded CSO DePo, which was conducted by the Caucasus Research Resource Center-Armenia (CRRCA-Armenia), nearly 50 percent of surveyed CSOs reported that they developed annual strategic plans in 2019, up from just 30 percent in 2015. Furthermore, the CSO DePo study found that CSOs have become more “democratic” in their strategic development activities, with a greater number of CSOs reporting that board members, CSO staff, CSO members, and beneficiaries are

involved in these processes. However, many CSOs still determine the scope of programs to be implemented based on available grant resources rather than the content of their strategic plans.

CSOs increasingly acknowledge the importance of policies, procedures, and systems of internal governance. According to the CSO DePo endline study, nearly 70 percent of surveyed CSOs have adopted internal regulations and procedures (approximately the same percentage as in 2015) and 90 percent of these CSOs follow and uphold these regulations (a notable increase from 62 percent in 2015). The CSO DePo program developed several guidelines that CSOs can use to improve their internal management. The CSO DePo online portal also provides a capacity enhancement tool, which has become popular among CSOs.

The internal management of CSOs has become more efficient due to the availability of several administrative templates and guidelines created within the framework of donor-funded programs. Although some CSOs have experienced conflicts of interest, CSOs generally acknowledge the need to take appropriate steps in order to minimize such instances.

In most cases, CSOs employ staff on short-term contracts when funding is available. Retention of permanent and qualified staff is an issue since few CSOs receive longer-term funding. Although the country lacks specific policies to stimulate volunteering, CSOs sufficiently recruit and engage volunteers. According to the CSO DePo endline survey, nearly 80 percent of surveyed CSOs engaged at least one volunteer during the previous year, approximately the same percentage as in 2015. CSOs increasingly use accounting services, public relations experts, and other related support services.

Rental rates for office space are relatively high and currently increasing, especially in Yerevan. Because of this, some CSOs struggle to maintain permanent offices. Some CSOs operating in local communities, especially youth CSOs, have access to office facilities in communal buildings free of charge.

CSOs are able to upgrade their equipment when funding is available. Relatively inexpensive internet services are available throughout the country. Most CSOs maintain websites and are active on social media, especially Facebook. Other social media platforms are less popular.

FINANCIAL VIABILITY: 4.9



The financial viability of CSOs did not change significantly in 2019 and continues to be the weakest dimension of CSO sustainability. While several large-scale, long-term donor-funded projects came to an end in 2019, CSOs increasingly sought to diversify their sources of funding, including through the use of crowdfunding, the creation of social enterprises, and the provision of services.

Various CSO-related studies confirm that the lack of financial resources is the most prominent issue faced by Armenian CSOs. According to the 2019 CSO DePo endline study, the current and prospective financial resources of nearly half of surveyed CSOs enable them to operate for less than a year. Only 20 percent of surveyed CSOs have sufficient financial resources to operate for two years or more. The vast majority of

surveyed CSOs noted that available financial resources only cover maintenance costs with no resources for organizational development.

CSOs generally recognize the importance of accessing multiple sources of funding to increase their financial viability and have made ongoing attempts to diversify their sources of funding. However, international development organizations are still CSOs' main source of funding. Nearly 40 percent of the CSOs surveyed in the CSO DePo endline study reported that they rely on grants from international donors as a primary source of income, compared to 43 percent in 2015.

Key foreign donors include the EU, USAID, and bilateral donors including the Swedish, Dutch, and German governments. In 2019, CSOs were affected by shifts in the funding levels and priorities of donors, as most donors

worked with the new government to determine needs. In 2018 and 2019, four large-scale, long-term donor-funded projects concluded operations in the country: the EU-funded STRONG CSOs for Stronger Armenia (2015–2018), the USAID-funded CSO DePo (2014–2019), the EU-funded Bridge for CSOs (2016–2019), and the EU-funded Commitment to Constructive Dialogue (CCD) project (2017–2019). As a result of the conclusion of these projects, local CSOs faced significant financial challenges in 2019. Local CSOs also had fewer opportunities to participate in other EU-funded grant competitions in 2019 because programs required the participation of coalitions led by established European CSOs, the scope of programs was narrowed, and Armenia was not among the beneficiary countries for most grant offers. In addition, some donor organizations were in the process of revising their country support strategies in light of the Velvet Revolution, which resulted in a temporary halting of grant programs. On the other hand, some donors continued to provide small grants on a rolling basis. These include the United Nations Development Programme (UNDP), Open Society Foundation, the Robert Bosch Stiftung, the Black Sea Trust for Regional Cooperation, the European Endowment for Democracy, the Prague Civil Society Center, and grants programs from the US, Lithuanian, and Japanese embassies.

Tax benefits are generally insufficient to stimulate individual and corporate philanthropy. Some CSO representatives, especially those engaged in charity and child protection, noted the difficulties of raising funds from private businesses particularly as a result of two newly established foundations headed by the prime minister's wife—My Step and City of Smiles—that attracted the majority of private donations during the year. Private businesses believe that donating to these “government-associated” CSOs is more in line with their business interests than donating to other well-known charity organizations.

CSOs increasingly use new fundraising methods including crowdfunding through online platforms and other electronic tools and instruments. For example, City of Smiles initiated a crowdfunding campaign using phone donation tools accompanied by a social advertising campaign on TV. However, information and communications technologies (ICTs) are still mainly only effective for individual charitable activities and most CSOs still lack the technical capacity needed to design and manage crowdfunding campaigns. Most membership-based organizations collect membership fees, but membership fees are often low.

Central and local governments provide a small amount of grants to CSOs, and both central and local governments outsource some social services to CSOs. In 2019, the total budgeted amount for nonprofit grants and subsidies directed to non-governmental and non-commercial (public) organizations totaled about 11.1 billion AMD (about \$22 million), while in 2018 the total was about 10.8 billion AMD.

Following the 2018 political transition, government officials announced that the process for allocating state grants would become more open and transparent. According to the CSO Meter, a tool developed to assess the civil society environment in the Eastern Partnership countries, however, CSOs reported that financial support continued to be distributed primarily through non-competitive processes to CSOs on a “list of recipient CSOs” defined in the state budget. Overall, government funding lacks strategic direction.

Many social enterprises successfully generate income to support CSO operations or provide assistance to vulnerable groups or social causes. For example, in 2019 the Partnership and Teaching NGO produced agricultural goods in several consolidated communities in Syunik Marz, using the proceeds to renovate the central park of Tatev Community. Partnership and Teaching NGO also provided agricultural products to the community's school and kindergarten. Other examples of successful social enterprises include Aregak, the first inclusive and barrier-free bakery and coffee shop in Gyumri; Sareri Bariq, specializing in the production of tea and herbs; and “Bohem,” an art-teahouse in Sevan.

CSOs are improving their financial management systems in order to meet the increasing requirements of the government and donors. Donor-funded capacity-building projects often address financial management and financial sustainability issues. However, CSOs rarely audit their accounts and operations unless required by donors or the state and generally publish annual reports with financial statements only if required by law or requested by donors.

ADVOCACY: 2.7

CSO advocacy improved slightly in 2019. CSOs had more opportunities to engage with state officials, and several successful CSO policy advocacy initiatives helped shape legislation and the public agenda.

After the political changes following the events of April-May 2018, the new government officials became more accessible to the public on social media platforms, which they used to communicate with their constituents and civil society. Several previously implemented donor-funded projects also improved the capacity of CSOs to engage with national and local authorities, increasing CSO oversight over government efforts to improve transparency and accountability.

All ministries have public councils that include CSOs. CSO representatives were also invited to participate in parliamentary hearings regarding political reforms and other topics during 2019. CSOs can access information regarding proposed legal acts on www.e-draft.am and can also submit their comments and recommendations on proposed legislation on this site. However, some CSO representatives think this platform has limited effectiveness due to the lack of meaningful discussion and communication with state authorities. In addition, some CSOs think that government officials are often not willing to accept proposed recommendations or that their recommendations are accepted only for the sake of appearances rather than a genuine desire to act upon them. In addition, some CSOs expressed concerns that state bodies do not have a firm commitment to addressing and solving complex public issues. Moreover, CSOs reported that the effectiveness of their advocacy efforts in 2019 was often hindered by turnover among national and regional government representatives as a result of the 2018 political transition.

In 2019, local governments were more cooperative and transparent and supported CSO initiatives. For example, Partnership and Teaching NGO reported that the local municipalities in Tatev, Tegh, Goris, and Sisán were very collaborative during the implementation of the EU-funded Public Oversight to Promote Communal Development project. The local municipalities provided all necessary data for the research, hosted events to present the results, and were willing to implement some changes in their future activities based on the recommendations provided.

Advocacy by CSOs and CSO coalitions successfully impacted the development of several public policies and legal regulations in 2019. Within the framework of the CCD project, 156 CSOs had the opportunity to directly engage in dialogue with policy makers. In total, CSOs participated in 187 working meetings/policy discussions with the central government and local governments, most of which took place in 2019. The government approved the Judicial and Legal Reform Strategy in October 2019 following a series of constructive dialogues and other similar efforts between state officials and CSOs.

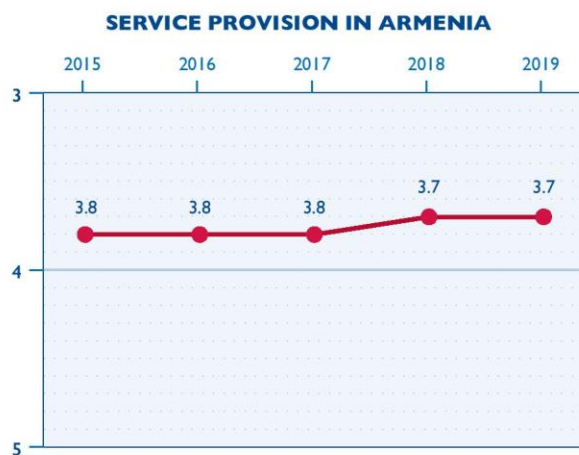
CSOs have also become more active advocates at local levels. Several local CSOs and CSO coalitions participated in the development of five-year Community Development Plans (CDP) in local communities. For example, NGO Agape World successfully pushed for the inclusion of youth-related provisions in the CDP for Tchambarak, while the NGO Community Pulse advocated for the inclusion of rural tourism development activities in the CDP for Vardenik. Other CSOs advocated for the preservation of historical buildings, the cessation of mining activities, and other related environmental efforts. A coalition of environmental CSOs and individual activists led a successful campaign that resulted in planned mining activities in Amulsar being ceased.

CSOs were also involved in several successful lobbying efforts during the year. For instance, in October 2019, following extensive cooperation between MoJ and the Anti-Corruption Coalition, the government developed and adopted a national Anti-Corruption Strategy and an Implementation Action Plan for 2019-2022; 101 of the coalition's 133 recommendations were fully and/or partially included in the final strategy. In 2019, as a result of the lobbying efforts of the secretariat of the Constructive Dialogue Network of Armenian CSOs coalition, ALA organized more than two dozen public consultations with state bodies during the government's mid-term expenditure planning process, and many CSO comments were accepted.



The CSO community regularly engages with various state agencies and institutions to promote a more favorable legal and regulatory framework for the sector. In December 2019, the government approved amendments to the Law on Public Organizations that were developed by the SRC and the Issues of Transparency and Accountability Provision of NGOs and Foundations working group, which includes more than 100 CSOs. As a result, the threshold for required audits of organizations implementing projects using public funds was increased from AMD 5 million to AMD 10 million. TIAC worked with the SRC on several occasions to prevent increased and unnecessary reporting and accountability restrictions for CSOs. Furthermore, several CSOs, including the Association of Social Enterprises of Armenia (ASEA), continuously worked to improve the government’s understanding of social entrepreneurship. In 2019, CSOs and the government held discussions on the Concept Paper on Development of Social Entrepreneurship, resulting in the concept paper’s finalization and submission for publication on the e-draft electronic platform.

SERVICE PROVISION: 3.7



CSO service provision did not change significantly in 2019.

The CSO sector continues to provide a diverse range of goods and services, with the most common being in the areas of human rights, youth, education, democracy, community development, civil society development, and social issues. An increasing number of CSOs utilize market research and needs assessment tools to identify the most pressing needs of their communities and constituencies.

CSOs can participate in government procurements at both the national and local levels, and both the central and regional governments outsource services to CSOs. For example, the government outsourced electoral oversight in Nagorno-Karabakh to the Union of Informed

Citizens NGO and TIAC.

CSOs generally do not discriminate on the basis of race, gender, ethnicity, or sexual orientation when providing services, in accordance with provisions in the constitution and the Laws on Public Organizations and Foundations.

CSOs continuously identify new ways to generate revenue through service provision, including through social enterprises. Previously implemented donor-funded capacity-building projects funded by the EU, the Near East Foundation UK, Women’s Development Resource Center Foundation (WDRC), and World Vision Armenia provided CSOs with skills to promote their services and generate income. However, CSOs still need to improve their abilities to market their services and identify clients.

The government expressed growing appreciation for CSO services in 2019. The government’s trust and confidence in CSOs has increased, especially for social services, oversight of electoral processes, and public monitoring of state and local governments. Government representatives—many of whom come from the CSO community—recognized the value of CSO service provision in their public statements. While the government increasingly outsources services to CSOs, this is usually in the form of short-term grant support rather than longer-term partnerships. Limited long-term funding is available to CSOs that have social partnership contracts with the government, mainly to provide social services.

SECTORAL INFRASTRUCTURE: 3.0

The infrastructure supporting the CSO sector did not change significantly in 2019.

As in previous years, in 2019, CSOs had access to assistance, training, and informational resources from intermediary support organizations (ISOs) and resource centers such as EPF, NGOC, Partnership and Teaching

NGO, TIAC, and the Infotun (information house) network. A portal developed under the CSO DePo Project in 2016 continues to host CSO-related information, announcements, and resources in a single location. CSOs in both Yerevan and other regions have access to capacity-building activities and training opportunities. ISOs and resource centers provide some paid services to CSOs, while other services are provided for free with support from donor-funded projects.

There were not any significant re-granting programs in 2019. A major re-granting program—the EU-funded CCD program implemented by ALA—came to an end in 2019.

Fifteen CSO coalitions comprising a total of 260 member organizations were created within the framework of the EU-funded CCD project. These coalitions signed memorandums of understanding and agreements with relevant governmental entities outlining future areas of cooperation. In 2019, CCD awarded nine sub-grants worth approximately AMD 8.5 million (approximately \$17,800) each to the newly created coalitions to strengthen and develop their technical and institutional capacities. Anecdotal evidence suggests that as of 2019, all fifteen coalitions were still active. For example, the Armenian Business Coalition participated in the creation of Business Platform, the Armenian National Health Council is implementing a new project with funding from the US embassy, and the Agricultural Alliance of Armenia continues to conduct advocacy efforts to improve the legislative framework for cooperatives. Ten of these coalitions established the Constructive Dialogue Network of Armenian CSOs in February 2019. The CSO DePo endline survey confirms that CSOs are more willing to participate in coalitions, networks, or groups: in 2019, 80 percent of surveyed CSOs expressed a willingness to join such bodies, compared with only 50 percent in 2015. The study also reported that 67 percent of surveyed CSOs state that they are members of a coalition, network, or group.

Available capacity-building and training programs cover diverse aspects of organizational management, including strategic management, financial management, fundraising, social entrepreneurship, research methods and need assessments, constituency building, and advocacy. In November 2018, the American University of Armenia (AUA) launched a certificate program in nonprofit management within the framework of the Bridge for CSOs program. By the end of 2019, representatives of nearly sixty CSOs from Yerevan and other regions had participated in this program. CRRCA-Armenia organized two summer schools in 2019 aimed at building the research capacities of actors involved in the promotion of a stronger civil society and evidence-based policy development. The Faculty of International Relations at Yerevan State University hosts a six month-long intensive academic course on CSO management. Private entities also provide training opportunities on non-governmental management. For instance, in 2019, Profmind organized ten training sessions on grant proposal development and social entrepreneurship, with twelve CSO representatives participating in each session.

CSOs have collaborated extensively with the government since the recent political reforms. For example, the Varodi Ynker Public Organization and several informal groups actively collaborate with the government and police to implement new traffic safety regulations; the media also actively participate in these efforts. The government started working with World Vision Armenia and the My Step Foundation to help vulnerable and underprivileged families overcome extreme poverty. The media actively covered this initiative to increase public awareness of the issue. CSOs also form some partnerships with the business sector. For example, Pahapan Development Foundation sells agricultural products from the Tavush region to restaurants and cafes in Yerevan, and then uses the income generated to create safer places for about 10,000 children living in border villages in the Tavush region.

SECTORAL INFRASTRUCTURE IN ARMENIA



PUBLIC IMAGE: 3.7



The public image of CSOs did not change significantly in 2019. While CSOs were increasingly visible after the 2018 political transition, they were also the subject of widely disseminated negative publications and disinformation campaigns often led by supporters of the previous regime.

Positive media coverage of CSOs has increased at the national level, especially on traditional TV channels. In addition, CSO representatives are more frequently invited to participate in media discussions on television. Several media platforms, such as Article 3 Club (run by For Equal Rights), Media Center (managed by the Public Journalism Club), Azatutyun Radio Station/US, Civilnet Armenian online newspaper, Factor TV, and the Infocom information committee, provide the public with

information on the important role that CSOs play in the country. Several USAID-funded initiatives, including CSO DePo and the Media for Informed Civic Engagement (MICE) project, have also promoted cooperation between the media and civil society and increased media interest in the social impact of civil society.

Armenian society was polarized in 2019 between those with liberal views who largely support the new authorities (known as the “whites”) against representatives and supporters of the old regime (known as the “blacks”), who generally support traditional values. After the revolution, anti-revolutionary forces depicted the current government as anti-family values or anti-Christian. CSOs were subject to negative characterizations such as “grant eaters” or “grant-chasing,” and were accused of “destroying national values” and “promoting foreign agendas.” Notably, groups and media supporting the previous regime widely used the term “Sorosian” to profile and accuse several CSOs of promoting foreign agendas aimed at destroying national values and infringing on traditional family values. These efforts have impacted the perception of the CSO sector among the larger public, even though there were several investigative publications explaining the origins of the campaign against CSOs and the government.

According to the Public Opinion Survey: Residents of Armenia, conducted in September-October 2019 for the International Republican Institute (IRI), 52 percent of respondents had favorable opinions of CSOs, while 32 percent had unfavorable opinions. This represents an improvement over the past year: in the same poll conducted in the fall of 2018, 46 percent of respondents considered the work of NGOs and CSOs favorable, while 38 percent considered it unfavorable.

Following the Velvet Revolution, the state authorities’ perception of CSOs improved significantly. Many CSO representatives and former civic activists took positions in the post-revolutionary government and parliament, which positively impacted the government’s perception of CSOs both as service providers and advocates. The business sector’s perception of CSOs has not significantly changed since pre-revolutionary times. Most businesses still only have a limited understanding of the CSO sector and have set up their own charity and social initiatives, thereby bypassing CSOs.

A growing number of CSOs promote the results and impact of their work. CSOs increasingly use social media, especially Facebook and Instagram, as well as live streams and data visualization tools in order to raise public awareness of their activities. However, most CSOs still lack systematic approaches on how to use social media.

Only a few relatively large CSOs have adopted codes of ethics or try to demonstrate transparency in their operations by publishing annual reports or other relevant information. Foundations are required to publish annual reports on state-administered websites, while public organizations are required to publish reports only when receiving public funds. When published, these reports tend to be generic and lack details regarding CSOs’ operations or financing.

Disclaimer: The opinions expressed herein are those of the panelists and other project researchers and do not necessarily reflect the views of USAID or FHI 360.

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