



# AGBU ARMENIA NEWS BULLETIN

Monday, January 26, 2009

## TRANSLATIONS FROM YEREVAN NEWSPAPERS AND OTHER NEWS AGENCIES

### POLITICS

#### 1. SERZH SARGSYAN AND YBC MANAGEMENT DISCUSS FURTHER PLANS OF COMPANY [Hayastani Hanrapetutiun, 01/24/09]

The Armenian president Serzh Sargsyan received the CEO of Pernod Ricard Eastern Europe company Eric Laborde, the newly-appointed CEO of Yerevan Brandy Company (YBC) CJSC Ara Grigorian and the company's former CEO Cedric Retailleau on January 22. S. Sargsyan thanked C. Retailleau for his efficient activities in Armenia.

According to the RA presidential press service, issues related to the further plans of Yerevan Brandy Company and the sector's development were discussed at the meeting.

#### 2. SERZH SARGSYAN SIGNS LAW ON MAKING AMENDMENTS TO RA CIVIL CODE AND SEVERAL OTHER LAWS [Hayastani Hanrapetutiun, 01/24/09]

The Armenian president Serzh Sargsyan on January 21 signed the following laws passed by the RA National Assembly: the Law on Making Amendments to the RA Civil Code, the Law on Making Amendments and an Addition to the RA Law on Joint Stock Companies, the Law on Making Amendments and Additions to the RA Law on State Registration of Legal Entities, the Law on Making an Addition and an Amendment to the RA Law on Limited Liability Companies, and the Law on Making Amendments and Additions to the RA Law on Compulsory Social Insurance against Temporary Disability, NT was informed by the RA presidential press service.

#### 3. PACE PLANS TO DISCUSS ISSUE OF ARMENIA AT JANUARY 27 PLENARY SITTING [NOYAN TAPAN, 01/23/09]

By the draft agenda of the upcoming PACE session in Strasbourg on January 26-30, the discussions of the report on implementation of Resolutions 1609 and 1620 on democratic institutions in Armenia which were adopted by PACE in 2008, as well as the adoption of a resolution are scheduled to take place on January 27, at 10-12 am (1-3 pm local time).

As NT correspondent was informed by the Armenian delegation in the PACE, it is envisaged that prior to being discussed at the session, the issue will be discussed once again by the PACE Monitoring Committee, taking into consideration the results of the co-rapporteurs John Prescott's and Georges Colombier's repeated visit to Yerevan in January.

To recap, in Point 9 of the draft resolution on Armenia adopted at the December 17 sitting of the Monitoring Committee, it is proposed that PACE suspend the voting rights of the Armenian delegation as the Armenian authorities have not yet displayed a definite political will to solve the problem of accusing and imprisonment of people for political motivation in connection with the March 1-2 events in Yerevan.

#### 4. BARGAVACH HAYASTAN PARTY WILL NOT GO OVER TO OPPOSITION FIELD, GAGIK TSARUKIAN'S SPOKESPERSON AFFIRMS [Azg, 01/24/09]

Khachik Galstian, the Spokesperson of Bargavach Hayastan (Prosperous Armenia) Party Chairman Gagik Tsarukian, at the January 23 press conference again refuted the information in press that allegedly BH is leaving the power coalition and going over to the opposition field. He also classed as not corresponding to reality the rumors that allegedly former RA President Robert Kocharian is going to head BH and allegedly Gagik Tsarukian pretends on Prime Minister's post. K. Galstian also categorically refuted the information that "Nubarashen car market will be closed soon on G. Tsarukian's initiative and will be moved to the town of Abovian." "I do not understand who and for what purpose spreads such false rumors: whatever happens in Abovian, they connect it with BH leader's name," G. Tsarukian's representative said.

K. Galstian said that on the threshold of the BH February 12 congress conferences of party's territorial organizations are held at present. He did not render it more clear that issues will be on the congress agenda.



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## 5. BH LEADER NEVER INTENDED TO SEIZE SOMEONE'S PROPERTY, KHACHIK GALSTIAN ASSURES [NOYAN TAPAN, 01/23/09]

"As far back as in December Gagik Tsarukian stated that he will not take part in the auction of Bjni Mineral Waters Factory CJSC," Khachik Galstian, the Spokesperson of the Bargavach Hayastan (Prosperous Armenia) party Chairman, reminded at the January 23 press conference answering journalists' question of how the BH leader treats the latest events regarding factory's owner Khachatur Sukiasian's business. According to K. Galstian, G. Tsarukian never intended to seize someone's property. "He considers that in his partner K. Sukiasian's business some workers just displayed unconscientiousness in their duties. Meanwhile BH considers that the ownership right should be protected," he mentioned.

K. Galstian also presented G. Tsarukian's opinion about government's decision to place cash registers in fairs and markets. Thus, under the financial-economic crisis the state should not increase small and medium-sized businessmen's tax burden leaving that step to easier times. K. Galstian also said that no cadre reductions will take place at enterprises belonging to G. Tsarukian, though the production volumes have reduced considerably.

BH leader's Spokesperson gave a negative answer to the question of whether there are political prisoners in Armenia and found it difficult to answer the question of whether there are people persecuted for their political views.

## 6. YERVAND MANARIAN: ARMENIA SHOULD FULFILL ITS COMMITMENTS TOWARDS COUNCIL OF EUROPE [Aravot, 01/24/09]

The issue of depriving or not depriving the Armenian delegation of the vote in PACE is really important, but there are more serious problems in Armenia, and solving them is much more urgent. Actor and producer Yervand Manarian expressed confidence at the January 23 joint press conference with poet Razmik Davoyan. As to fulfilling Council of Europe demands, Y. Manarian said that when undertaking some business a person should know what will be required from him then and fulfill those requirements. According to him, if Armenia has assumed some commitments towards Council of Europe on its own initiative, it should fulfill them.

R. Davoyan also touched upon the PACE demands mentioning that it is unintelligible for him how Council of Europe studied the problem of people imprisoned on the March 1 case and found out that they are political prisoners, while Armenia's justice fails to find it out. "Council of Europe should contribute to preservation of stability in our country and not make a mess in our domestic life," he said.

The poet also spoke about the problems within the Union of Writers of Armenia stating that there are no arguments and intrigues in the union: they are only rumors spread by media and not corresponding to reality. According to him, just a group of writers collect signatures to make the union chairman convene a meeting.

## 7. MIKAEL DANIELIAN RECEIVES FREEDOM DEFENDERS AWARD OF U.S. [NOYAN TAPAN, 01/23/09]

The Chairman of Helsinki Committee of Armenia Mikael Danielian received a Freedom Defenders Award at the U.S. embassy in Yerevan on January 22. The award was instituted by the former Secretary of State Condoleezza Rice.

In the words of the U.S. ambassador to Armenia Marie Yovanovitch, recently Martin Luther King Day was celebrated in the U.S, and the second anniversary of Hrant Dink's assassination was marked the following day. She said that H. Dink followed in M. King's footsteps and also struggled for equality, justice and freedom of speech. It is thanks to efforts of M. King and others that an African American - Barack Obama has been elected U.S. president for the first time. "There are advocates of human dignity and human rights in Armenia as well," the ambassador stated. Neither the authorities nor the opposition were considered as able to provide reliable information on the March 1 events, and such information was provided by M. Danielian. He spoke about police abuses, visited imprisoned people, demanding that they be given medical services.

M. Danielian in his turn said that Armenia has a long path to pass toward democracy and the defence of human rights. "Everybody must realize that human rights are above national and political interests," he underlined.



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## 8. NEW AMBASSADOR OF PHILIPPINES HANDS HIS CREDENTIALS TO RA PRESIDENT [Hayastani Hanrapetutiun, 01/23/09]

On January 23, new Ambassador of Philippines to RA Victor Garcia III handed his credentials to RA President Serzh Sargsyan. In a private talk following the solemn ceremony of handing credentials S. Sargsyan expressed gratitude for Philippines' permanent balanced position at international organizations over issues regarding Armenia.

According to the report provided to Noyan Tapan by the RA President's Press Office, during the meeting the interlocutors attached importance to further activation of bilateral contacts and estimated as sufficient the current potential for cooperating in individual spheres.

## 9. AMBASSADOR OF PHILIPPINES HANDS COPY OF HIS CREDENTIALS TO RA FOREIGN MINISTER [NOYAN TAPAN, 01/23/09]

On January 22, RA Foreign Minister Edward Nalbandian received newly appointed Ambassador of Philippines to Armenia Victor Garcia III (residence Moscow) on the occasion of the latter's handing the copy of his credentials.

As Noyan Tapan was informed by the RA Foreign Ministry Press and Information Department, possible ways of developing the relations between Armenia and Philippines were discussed during the talk following the ceremony. Issues regarding expansion of cooperation between the two countries within the framework of UN and its specialized structures were touched upon.

Victor Garcia III graduated from Manila De La Salle University, is a lawyer by specialty. He has been working at the Foreign Ministry system of Philippines since 1975 up to the present. He was appointed Ambassador of Philippines to RF in 2008. He is married, has two children.

## 10. NATIONAL COUNCIL ON SUSTAINABLE DEVELOPMENT OF ARMENIA DISCUSSES ECOLOGICAL SITUATION IN YEREVAN [NOYAN TAPAN, 01/23/09]

Environmental, urban development and other important problems will be discussed at sittings of the National Council on Sustainable Development of Armenia, the Council Chairman, Prime Minister of the RA Tigran Sargsyan said at the January 23 sitting of the Council. He expressed confidence that as a result of such discussions the Council will be able to make correct and mutually acceptable decisions for implementation of the main principles of the National Sustainable Development Program.

The Council discussed the ecological situation in Yerevan: its causes, consequences, improvement ways, as well as issues related to organization of garbage disposal in the capital city.

The Chairwoman of Association for Sustainable Human Development NGO Karine Danielian and the Head of the Environmental Protection Department of Yerevan Mayor's Office Avet Martirosian gave reports on the ecological situation in Yerevan, in which they spoke about the current state of Yerevan's urban-industrial environment, its water basins and green zones, seismic risks, the impact of the environment on Yerevan population's health, possible scenarios of the ecological development of the city, and analyzed some other issues. A. Martirosian presented the measures envisaged by the Master Plan of Yerevan, noting that some of these measures have been partly implemented. The state of garbage disposal was presented by the Head of the Department of Municipal Economy of Mayor's Office Gagik Khachatryan.

Summarizing the results of the discussion, T. Sargsyan said that despite the considerable work done, Yerevan still has a lot of serious problems that require solution. He shared the opinion of NGOs' representatives and NA deputies that the implemented work will not receive positive appraisal of the people until even one or several unacceptable, illogical and blameworthy phenomena exist.

Announcing that the next sitting of the Council will be dedicated to environmental problems of Lake Sevan, the prime minister instructed those to give reports to present in advance the proposals on Lake Sevan's problems to the members of the Council in order to organize an efficient discussion.



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11. IT IS PROPOSED APPLYING TO CRIMINOLOGICAL CENTER OF RUSSIAN MINISTRY OF INTERNAL AFFAIRS FOR IDENTIFICATION OF "CHERYOMUKHA" CAPSULES AND GUNS THEY WERE FIRED FROM [NOYAN TAPAN, 01/23/09]

The RA National Assembly Ad Hoc Committee on Inquiry into March 1-2 Events in Yerevan and their Reasons will soon file an official letter to the RA prosecutor general and the Special Investigation Service - with a petition for identification of the capsules of the "Cheryomukha 7" special weapon that caused deaths of 3 people during the March events and the "KC23" guns, from which these capsules were fired. The petition will request to organize an identification at the Criminological Center of the RF Ministry of Internal Affairs.

The Ad Hoc Committee made this decision at the January 23 sitting convened following a long break, after discussing the results of the special weapon-related expert examination sent from Russia to the RA Prosecutor General's Office. In response to the questions of the RA Special Investitaion Service, there had been information from "Special Equipment and Communication" scientific and production enterprise (Russia) producing "Cheryomukha 7" weapon that the technical features of out-of-date "Cheryomukha 7" and "Cheryomukha 7-M" gas cartridges may change and the maximum distance of the release of tear-gas and the discharge of a tear grenade may decline, but if an out-of-date weapon is used in accordance with norms, it will not cause damage to life or health of a person. As regards identification, it was mentioned that the center is not competent to conduct a ballistics examination and has no information about the methods for identification of cartridges and weapons of this kind, and it was proposed to apply to the Criminological Center of the RF Ministry of Internal Affairs with respect to this issue.

The committee member, chairman of New Times party Aram Karapetian said in this connection that despite the fact that some Armenian circles had tried hard to prevent any answer about a possibility of identification, the expert of the center did not take responsibility and indicated a place to apply to. This conclusion was mainly due to the "odyssey" of the letter on the special weapon that the committee had sent (earlier than the prosecutor's office) to the RF deputy minister of internal affairs Alexander Smirny.

The committee chairman, secretary of the NA "RPA" faction Samvel Nikoyan informed the committee members that so far no answer has been received to the letter sent a month ago. In the words of A. Karapetian who took that letter to Moscow, by his information, a certain Harutyunian from the RA prosecutor's office and a high-ranking police official went to Moscow to prevent an answer to the letter. It is noteworthy that according to publications of the Armenian press, the matter concerns the deputy head of the RA Police Armen Yeritsian.

12. ARMENIAN LABOR AND SOCIAL AFFAIRS MINISTRY CONDUCTS STUDIES IN TRADE POINTS [ARMENPRESS, 01/26/09]

Armenian Labor and Social Affairs Ministry is organizing studies in all trade points in Armenia, registering the existing issues and in case of necessity forming relevant acts.

Armenian Labor and Social Affairs Minister Arsen Hambartsumyan told Armenpress that in the coming few days the results of the studies will be summed up and the government will be presented a package of suggestions directed towards the solution of the issues.

The minister said that the people working in trade points mainly complain in connection with ensuring healthy and secure working conditions.

"Only in formal respect the owners of the fairs may reason that they have agreements with relevant business managers who are obliged to ensure necessary working conditions. In this respect the issue is that it will be necessary to make separate business managers ensure the conditions and this may bring to reduction of job places. Today many traders have the issue of not losing their job and as a result people have to work in not good conditions. In any case traders must also be interested in having healthy and secure conditions," the minister said.

13. EDWARD NALBANDYAN TO MEET WITH ELMAR MAMMEDYAROV AND OSCE MINSK GROUP CO-CHAIRS [ARMENPRESS, 01/26/09]

Armenian Foreign Minister Edward Nalbandyan left today for Zurich (Switzerland) where on January 27 he is expected to meet with his Azerbaijani counterpart Elmar Mammedyarov and OSCE Minsk Group co-chairs, Foreign Ministry press service told Armenpress.



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## 14. ARMENIAN NA DELEGATION LEAVES FOR STRASBURG [ARMENPRESS, 01/26/09]

Delegation of Armenian National Assembly to PACE left for Strasburg to participate in the PACE January session scheduled for January 26-30.

NA press service told Armenpress that the delegation includes the head of the delegation Davit Harutyunian, members of the delegation Avet Adonts, Armen Rustamian, Grigor Margarian, Artsruni Aghajanian, Naira Zohrabian and Hermine Naghdalian.

## **BUSINESS**

## 15. SALES OF YEREVAN BRANDY COMPANY'S PRODUCTION RISE BY 8% IN JUNE-DECEMBER 2008 [NOYAN TAPAN, 01/23/09]

Despite the global financial and economic crisis, sales of the Yerevan Brandy Company's (YBC) production rose by 8% in the first half of last financial year (July - December 31, 2008) and amounted to 2.6 million liters, former CEO of YBC Cedric Retailleau announced at the January 22 press conference. According to him, the increase was mostly conditioned by growing rates of sales of "Ararat" brandy in Armenian, Russian and Baltic markets. In particular, sales in Russia grew by 14%, in Armenia by 4% and in Baltic states by 16% in the indicated period as compared with July-December 2007. In the same period sales of "Ararat" brandy were also up in Germany, Poland, Bulgaria and the Czech Republic.

"This growth proves once again that "Ararat" is a leader in the brandy market," C. Retailleau pointed out. In his words, the YBC increases the purchase of grapes with every passing year: in 2008 it purchased 31 thousand tons of grapes, which was more by 7% on the previous year.

He said that every year the YBC invests about 5 million dollars for modernization of its production and technological processes and about 15 million dollars for purchase of grapes and replenishment of spirit supplies. As of the first half of 2008-2009, the YBC made investments of nearly 2 million dollars to modernize production and technological processes.

Responding to the question about whether Armenia is an attractive country in terms of establishing a business, C. Retailleau replied that Armenia is a country where all the opportunities to start a new business exist. He said that one convincing evidence is the example of Pernod Ricard company whose investments made 10 years ago have benefited not only Pernod Ricard and the Yerevan Brandy Company but also the respective sector of Armenian agriculture, in particular, the viticulture.

## 16. ARA GRIGORIAN ASSUMES POST OF YBC DIRECTOR GENERAL ON JANUARY 1 [Azg, 01/23/09]

Ara Grigorian, the CEO of Pernod Ricard's representative offices in Ukraine and Minsk, assumed the post of director general of the Yerevan Brandy Company (YBC) on January 1. Pernod Ricard's CEO for Eastern Europe Eric Laborde said at the January 22 press conference that the former CEO of YBC Cedrik Retailleau who held this post from July 2007 to January 1, 2009, has been appointed Pernod Ricard's CEO for Venezuela.

In the words of E. Laborde, "Ararat" is an absolute strategic trade mark for Pernod Ricard. He underlined that the company attaches special importance to the selection of the personnel for correct management and development of business. "The people who represent our representative offices are Pernod Ricard's ambassadors in these countries. If a person is appointed executive director, it means that we have 100% trust in him," E. Laborde said.

He described Ara Grigorian as a highly-qualified expert, thanks to whom Pernod Ricard's Ukrainian office has achieved high indices and become one of the most successful companies in the country in the past 10 years. "We are sure that we made a correct choice by appointing him, on the other hand we are glad that he has returned to homeland," E. Laborde stated.

The newly appointed director said that no personnel-related changes are envisaged at the company because only professionals work there.

## 17. EBRD EXTENDS REPAYMENT OF FIRST SHARE OF CREDITS BY ARMECONOMBANK FOR ONE YEAR [NOYAN TAPAN, 01/23/09]

The European Bank for Reconstruction and Development (EBRD) has extended Armeconombank's repayment period of the first share of credits under the syndicated credit agreement for one year. The bank's CEO David Sukiasian said at the January 22 press conference that January 20



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was the repayment date of the first - 5 million dollar share of credits received under the agreement, but EBRD extended the repayment period for a year.

The 15 million dollar syndicated credit agreement for small and medium business crediting was signed between Armeconombank and EBRD in December 2007.

The EBRD representative Michael Weinsten said that in recent years Armeconombank has achieved success and is considered to be one of the most actively operating banks in terms of trade promotion. In his words, last year Armeconombank was recognized by EBRD as the best Armenian bank within the framework of the Trade Finance Program. M. Weinsten announced that on January 21 Armeconombank was given a 5 million dollar credit line under the International Finance Corporation's Trade Finance Program. This program envisages issuing bank guarantees and providing Armenian companies with cash for conducting export and import transactions.

## 18. ARMECONOMBANK DOES NOT PLAN TO RAISE INTEREST RATES OF ITS CREDITS IN 2009 [NOYAN TAPAN, 01/23/09]

"Armeconombank does not plan to raise the interest rates of its credits in 2009: the current interest rates will remain until the end of this year," the bank's CEO David Sukiasian stated at the January 22 press conference. According to him, negotiations are under way and the interest rates of deposits in Armenian drams are likely to rise slightly.

As regards the rumors about the reduction of crediting and nonprovision of mortgage loans in some cases, D. Sukiasian noted that most of the funds attracted by Armeconombank have been financial resources received from international structures. These funds are used to provide credits for small and medium business, mortgage loans, etc. In his words, there will be no deviations from these programs. "There was no suspension, just the terms for mortgage loans have become a bit stricter in Armenia. Perhaps some Armenian banks have had liquidity problems and provided less amounts of credits in order to deal with their problems. However, it would be wrong to call such banks problematic," D. Sukiasian underlined.

It was mentioned that in 2008 the average market value of Armeconombank's shares grew by 24%. As of January 1, 2009, the overall capital of the bank exceeded 8.6 billion drams. Its assets made more than 52 billion drams, while the 2008 profit amounted to 460 million drams (about 1 million 484 thousand USD).

## 19. ARMEN ALAVERDIAN: WORRIES OF ECONOMIC ENTITIES ARE MAINLY CAUSED BY THEIR IGNORANCE OF LEGISLATIVE AMENDMENTS [NOYAN TAPAN, 01/23/09]

The deputy chairman of the RA State Revenue Committee Armen Alaverdian on January 22 met with representatives of some trade organization points, particularly, such fairs as "Vagharsh & Sons", "Gnuni Market", "Narek" in order to give explanations to economic entities about problems related to the introduction of cash registers at trade organization points.

During the meeting, those conducting trade in the gold market expressed their concern that in case of exceeding the VAT threshold of 58 million 350 thousand drams, they may have difficulties because of "being moved to some other field of taxation". They said that the indicated threshold is quite hard for those engaged in gold trade which may prevent them from benefiting from the advantages that business has received as a result of the recent reforms.

The next issue raised by economic entities was related to the difficulties in obtaining documents that substantiate their expenses, in particular, the purchase of gold from individuals. They also have to incur extra expenses within the fairs in order to pay for accounting and other services. The representatives of trade organization points expressed their willingness to pay a higher fixed payment if the state does not oblige them to use cash registers.

However, A. Alaverdian told them that the introduction of cash registers is an irreversible process, and those engaged in trade must meet the requirements of the law. He said that the burden of taxation on small business was reduced and the accounting was simplified as a result of the recent legislative reforms. In his words, the worries of economic entities are mainly caused by their ignorance of legislative amendments.

A. Alaverdian assured the representatives of fairs that their tax burden will not increase with the introduction of cash registers: via a network connection of cash registers, the tax bodies will follow entities with a considerable turnover (the so-called risky ones), while small businessmen have no reason for concern.



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## 20. "THE 21ST CENTURY OF ARMENIAN ARCHITECTURE" ALL-ARMENIAN CONGRESS TO BE HELD IN ARMENIA IN LATE APRIL [NOYAN TAPAN, 01/23/09]

It is envisaged holding "The 21st Century of Armenian Architecture" All-Armenian Congress in Yerevan on April 21-23. Its organizational issues were discussed during the Organizing Committee's consultation conducted by the RA Minister of Diaspora Hranush Hakobian on January 22.

The Chief Architect of Armenia, Deputy Minister of Urban Development Narek Sargsyan said that the Congress has the goal of enabling Armenian architects and engineers from all over the world to solve the three fundamental problems: the use of modern architectural technologies and an exchange of experience with Diasporan Armenian experts, the retraining of young architects and informing young Diasporan architects about traditions of Armenian architecture, and the assessment, preservation and development of Armenian architectural heritage. In connection with solution of the third problem, N. Sargsyan attached great importance to the participation of Diasporan specialists in international organizations in order to present problems related to the preservation of Armenian architectural heritage. The sending of invitations with the request to take part in the Congress has already begun. According to N. Sargsyan, as a result of "The 21st Century of Armenian Architecture" All-Armenian Congress, it is envisaged establishing an All-Armenian Association of Armenian Architects with its regional office.

The head of the Repatriation and Research Department of the Ministry of Diaspora Arman Yeghiazarian in his turn said that the ministry has also sent invitations for participation and published announcements for participation in the mass media of the Diaspora.

N. Sargsyan announced that first responses with an intention to participate in the Congress have been received, in particular, from French Armenian architects. In his opinion, the Congress will be quite representative. The consultation participants agreed that the heads of bodies unifying the architects and engineers of Diasporan colonies should be included in the Organizing Committee of the Congress.

It is envisaged that a photo exhibition of Armenian architectural monuments (from the photo collection of Samvel Karapetian, the director of the organization for studies on Armenian architecture), as well as an exhibition of architectural works of the congress participants together with the contests "The Best Design of the Year" and "The Best Student Work" will be held within the framework of the Congress.

## 21. FINANCIAL OMBUDSMAN OFFICE TO FUNCTION IN ARMENIA STARTING FROM JANUARY 24 [NOYAN TAPAN, 01/23/09]

A Financial Ombudsman Office, so far the only one in the CIS, will function in Armenia starting from January 24. The Chairman of the Central Bank of Armenia (CBA) Arthur Javadian said at the January 23 press conference that this is a great achievement for Armenia as such offices work mostly in developed countries. In his words, with the introduction of the institution of financial ombudsman, the society's trust in the financial system of Armenia will increase.

The purpose of establishing this office is to accept and examine complaints of consumers and solve disputes between financial institutions and consumers. The Office will provide free services to consumers who may file their complaints to the financial ombudsman only after failing to reach a reconciliation with the given financial institution. In case of disagreeing with the decision of the financial ombudsman, consumers may dispute it in a court which is not permissible for financial institutions that must obey the ombudsman's decision. Only natural persons may apply to the financial ombudsman. Complaints may be filed only with respect to such deals that do not exceed 10 million drams (about 33 thousand dollars). The work of the Financial Ombudsman Office will be financed only by financial institutions.

The member of the CBA Board Grigor Donjeyan was elected the Chairman of the Board of Trustees of the Financial Ombudsman Office. Piruza Sargsyan was elected the Financial Ombudsman. The Board of Trustees is composed of 6 members elected from state and private organizations.

## 22. SOME TAX PRIVILEGES IN JEWELRY SECTOR NO LONGER SATISFACTORY FOR SECTOR'S DEVELOPMENT [NOYAN TAPAN, 01/23/09]

The current problems in the gem and jewelry sector are first of all conditioned by the global economic crisis which has left its direct impact on the Armenian economy. This was stated at the January 23 consultation on problems of the gem and jewelry sector. The consultation with the participation of heads of the sector's enterprises, representatives of the interested ministries and departments was conducted by the RA Prime Minister Tigran Sargsyan.



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He said that some tax privileges in the jewelry sector are no longer satisfactory for the sector's further development. In his words, the problem of nearly 2 thousand employees of 45 jewelry enterprises and the current difficulties of this perspective sector of Armenian economy can be overcome by joint efforts and some progress may be made as soon as in 2009.

The RA Minister of Economy Nerses Yeritsian presented an analysis of the situation in international gem and jewelry market and the general picture of Armenia's sector, the existing difficulties, including those conditioned by the global financial and economic crisis. He also spoke about proposals to reduce the negative impact of the crisis.

As NT was informed by the RA Government Information and PR Department, at the conclusion of the consultation N. Yeritsian was instructed to summarize, together with the minister of finance and the chairman of the RA State Revenue Committee, the proposals made during the discussion and to present a program of measures with a definite schedule within 2 days.

## 23. PRESIDENT OF ARMENIA TO LEAVE FOR SWITZERLAND TO PARTICIPATE IN DAVOS WORLD ECONOMIC SUMMIT [ARMENPRESS, 01/26/09]

President of Armenia Serzh Sargsyan is leaving January 28 for Switzerland on a working visit to participate in the Davos World Economic Summit.

Presidential press service told Armenpress that within the frameworks of the visit on the same day in Zurich negotiations between Armenian and Azerbaijani presidents over Nagorno Karabakh conflict are expected to take place. This will be the third meeting between Serzh Sargsyan and Ilham Aliyev after the Armenian president assumed his office.

Within the frameworks of the Davos Summit a number of bilateral meetings with the heads of other states and representatives of international companies are expected to take place.

Armenian President Serzh Sargsyan will also meet with representatives of Swiss-Armenian community.

## 24. PROGRAMS WITHIN THE FRAMEWORK OF WB'S PARTNERSHIP STRATEGY WITH ARMENIA DISCUSSED [ARMENPRESS, 01/26/09]

Armenian Finance Minister Tigran Davtyan received today delegation headed by the deputy chairman of the World Bank Shigeo Katzu.

Press service of the Finance Ministry told Armenpress that during the meeting the sides discussed the programs of the coming four years within the frameworks of the World Bank's partnership strategy with Armenia and the provided means.

The sides also referred to the macro-economic situation in Armenia, global financial and economic crisis and other issues.

The delegation consisted of regional director of the WB Donna Dauset Coirolo, director of the Armenian office of the WB Aristomene Varudakis and newly appointed regional director Asad Alan.

## DIASPORA

### 25. T. PETROSIAN'S MEMORIAL STONE TO BE PLACED IN MOSCOW [Aravot, 01/24/09]

With the support of Armenian Foreign Ministry and Armenian embassy in Russia, the Yerevan municipality will place the memorial stone of the well known chess player Tigran Petrosian in Moscow. Head of the foreign relations department of the municipality Davit Gevorgian told today journalists that the drafts of the memorial stone will be agreed during the upcoming two months.

According to D. Gevorgian, permission for setting a memorial stone in Moscow is a complicated process as numerous outstanding people lived in the same building. In spite of this the Moscow authorities did not reject the initiative of the Armenian side. The work will be coordinated by Yerevan municipality which is closely cooperating with Moscow especially during the latest years.



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## RELIGION

### 26. ARMENIAN APOSTOLIC CHURCH TAKES PART IN THE MEETING OF THE JOINT INTERNATIONAL COMMISSION OF THEOLOGICAL DIALOGUE [Hayastani Hanrapetutiun, 01/26/09]

Meeting of the joint international commission of the Theological dialogue between Catholic and Eastern Orthodox Churches was held January 24 in Rome.

Press service of the Mother See told Armenpress that in the meeting which will last until January 31, the Armenian Apostolic Church is represented by the responsible for inter-church relations of the Mother See of Holy Etchmiadzin Archbishop Yeznik Petrosian, Primate of the USA Eastern Diocese archbishop Khazhak Parsamian as well as Archbishop Oshakan Choloyan and bishop Narek Alemezian from the Cilicia Diocese.

The meeting is chaired by the head of the clergy council of the Rome Christian Union cardinal Walter Kasper and the head of Copt Orthodox Church Damiete Amba Bishoy.

"The nature of the church, its constitution and mission" document which was created as a result of five year's dialogue is being discussed. The task group will also decide on the later direction of the dialogue.

## SOCIAL

### 27. COOPERATION WITH DIASPORA SHOULD BE MOVED FROM CHARITY DIRECTION TO BUSINESS COOPERATION SPHERE [Azg, 01/23/09]

Diaspora's potential is not used completely for the sake of development of Armenia's economy. Gohar Gyulumian, the economist of the World Bank Yerevan Office, said at the January 23 discussion organized jointly by the Ministry of Diaspora and World Bank Yerevan Office. She said that one of Armenia's biggest official donors, WB cooperating with the Ministry wishes to help in the issue of improving the relations with country's biggest unofficial donor.

According to G. Gyulumian's evaluation, cooperation with the Diaspora should be moved from the charity direction to the business cooperation sphere. According to her, Armenia has a problem of integrating to international economy and coming out to foreign markets. And according to G. Gyulumian, the Armenians worldwide can have much contribution in that issue. However, at present there are a number of circumstances hindering that potential's use, in particular, breaking off Armenia-Diaspora relations in the Soviet years, not knowing each other well, which in its turn results in the lack of confidence and caution. "The problems are different, but we should think of overcoming these obstacles, as only in that case we can record success," she said.

According to Minister Hranush Hakobian, it is natural that Diaspora's whole potential is not used, as it is a very difficult and large phenomenon. "It is not one structure, with which we work well or badly. To work with 7 million Armenians, who are not subordinate to you in the structural respect and are not obliged at all to fulfill your tasks, is very difficult. It is purely with friendly, partner, patriotic motives that they should come and spend their time, use their knowledge, experience, and abilities for the sake of homeland's development," the Minister said.

H. Hakobian said that the Ministry is already doing some work in that direction. In particular, three professional all Armenian conferences will be held this year. The first is a conference under the title Armenian Architecture in the 21st Century. Besides, according to the Minister, an attempt is made to create an all Armenian network contributing to strengthening of not only Armenia-Diaspora, but also Diaspora-Diaspora contacts.

### 28. PRELIMINARY COMPENSATION FOR CITIZENS' DEPOSITS DEPRECIATED SINCE 1993 TO BE DONE AT ARTSAKHBANK [NOYAN TAPAN, 01/23/09]

The president of the Nagorno Karabakh Republic Bako Sahakian on January 23 signed a decree on preliminary compensation for citizens' deposits, which have depreciated since 1993, at Artsakhbank CJSC, NT was informed by the Central Information Department of the Office of the NKR President. By the decree, the government has to ensure preliminary compensation for deposits of the NKR's citizens born until 1962, the servicemen who were killed while defending the NKR and the first-group invalids of war within the amounts envisaged by the Law on the 2009 State Budget of the NKR.



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## 29. HAYASTAN ALL-ARMENIAN FUND IMPLEMENTS PROGRAM ON CONSTRUCTION OF OUTDOOR LIGHTING SYSTEM IN SYUNIK [Azg, 01/23/09]

With the assistance of the Armenian diocese of Tehran, the "Hayastan" All-Armenian Fund has implemented a program on construction of an outdoor lighting system in Shvanidzor, Alvank and Nrnadzor communities of Syunik marz (province). The program cost about 7 million drams. As NT was informed by the Fund's Executive Board, 20 light poles were installed in each of the beneficiary communities for solving the problem of outdoor lighting.

A water-pipe construction program started in the village of Nrnadzor in October 2008 with the support of the same benefactors. The work of the first stage has already been completed. The new suction well ensures water supply of the village through a newly-built 1,200 meter water-pipe. It is envisaged constructing an internal water supply network, two ponds and a pumping station during the program's second stage.

## 30. HENCEFORTH SOCIAL WORKERS' DAY TO BE MARKED ON NOVEMBER 4 IN ARMENIA [NOYAN TAPAN, 01/23/09]

Henceforth Social Workers' Day will be marked on November 4 every year in Armenia. The Armenian Prime Minister Tigran Sargsyan approved the decision on it at the January 22 sitting of the government.

According to the Minister of Labor and Social Issues Arsen Hambartsumian, there are about 4,000 social workers in the state sector of the country.

## 31. STATE FOOD SECURITY AND VETERINARY INSPECTION TO CONDUCT CHECKING IN FOOD SERVICE INSTITUTIONS OF ARMENIAN EDUCATIONAL AND MEDICAL ESTABLISHMENTS [ARMENPRESS, 01/26/09]

State food security and veterinary inspection of Armenian Agriculture Ministry this year will conduct checking in the food service institutions of the educational and medical establishments of the country.

Head of the information department of the inspection Susanna Minasian told Armenpress that during the year checking in suchlike institutions of the schools will continue during the year.

As a result of checking in the food service institutions of the schools of the country, which was conducted with the 2008 decree of the Armenian Agriculture Minister, numerous flaws have been discovered and the activity of such institutions in some schools has been temporarily suspended.

As a result of checking in 26 schools of the provinces of the country a fine of 900,000 drams has been established for violation of law and a fine of 1 million 200,000 drams – in 48 schools of Yerevan. As a result of the conducted double-checking it has been found out that the situation has a little bit improved.

The above mentioned institutions must by all means work with certificates with which a number of standards are established.

## 32. "ARMENTEL" TO DIGITALIZE ANALOGOUS TELEPHONE LINES WHICH START WITH 34, 35, AND 61 [ARMENPRESS, 01/26/09]

This year "ArmenTel" company intends to digitalize the analogous telephone lines of the capital which start with 34, 35 and 61 figures. It will create an opportunity to make inter-town and international phone calls in automatic way.

Head of the public relations service of the company Anush Beghloyan told Armenpress that the process of digitalization of the mentioned phone lines will be finished by June.

The phone line of 77 number has lately been digitalized and the works with the 25 phone line are in the round of finishing. After the winter pause the process of modernization of the Armenian phone lines will also continue in the provinces, where, according to A. Beghloyan, it has already been implemented by 60%.



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## 33. CONSTRUCTION OF YEREVAN INTERNATIONAL CENTER TO KICK OFF THIS YEAR [ARMENPRESS, 01/26/09]

Construction of international center is expected to kick off this year in Yerevan. Chief architect of Yerevan Samvel Danielian told Armenpress that with the construction of the center the central part of Yerevan will be unloaded from “international functions”: representations of international organizations, embassies, banks, such establishments which have not previously been in Yerevan will be located there.

According to S. Danielian, Yerevan must also have multi-functional centers of the town-importance which will be located on state highways taking to the capital. From this year such center will be built in the bordering line of Malatia-Sebastia and Ajapnyak districts.

S. Danielian said that the works on developing Yerevan zoning projects have already ended. Last year such projects have been developed for Shengavit district as well as for several large sectors of Avan, Erebuni, Malatia-Sebastia districts.

## 34. RATE OF EARLY DISCOVERY OF CANCER IN ARMENIA INCREASED [ARMENPRESS, 01/26/09]

The World Health Organization (WHO) marks February 4 as an international day of fighting against cancer in the whole world. This year it will be entitled as “Children and the impact of the indirect smoke”. According to WHO information, each year nearly 700 million children are under the impact of the indirect smoke of the cigarette.

An official from the Armenian national oncology center told Armenpress that cancer is discovered among 222 people from 100,000 residents. During the last 15 years among men with malignant growths, the lung cancer is in the first place and breast cancer – among the women. The cancer of the digestive system and urogenital organs are also spread.

According to the official information, compared with 2006, in 2007 the spread of the cancer among each 100,000 residents increased with 2-3 units.

Although the cancer continues to be highly spread in the world, the rate of early discovery of the disease has also increased. If 10-15 years ago it was discovered in the early stage only on 5%, now the indicator reaches 12%. Majority of more than 30,000 patients who have been examined and treated in the National Oncology Center during the last years, lives for 5 and more years.

Cancer is most probably discovered in 45 and higher ages. 80-90% of the tumors is a result of the impact of the surrounding environment.

According to the WHO assessments, in case of not smoking, right feeding, early prevention of infectious diseases and physical activeness, 40% of cancer cases may be prevented. Cigarette smoking is considered the main cause of cancer in the world.

According to WHO information in 2005, 7.6 million people in the world died of cancer. Nearly 1.3 million people die each year in the world from lung cancer, from stomach cancer – 1 million people, from large intestine cancer – 655 thousand people.

Nearly 70% of cancer is registered in the countries of low and medium size income. There are nearly 100 types of cancer. The disease develops in different parts of the body.

## 35. GAS SUPPLY IN ARMENIA RESTORED [ARMENPRESS, 01/26/09]

Gas supply to Armenia is restored. It was suspended at 2:00 am January 25. Georgian gas transportation company explained it with a problem occurred in the Gveleti gas measuring station which took place as a result of drastic decrease of the temperature.

Press secretary of “Armrusgasprom” company Shushan Sardarian told Armenpress that with the efforts of the Georgian specialists the gas supply has been restored on the same day at 16:20 o'clock. By that time the gas in the country was ensured through the Abovian underground gas store-station.

## 36. YEREVAN MUNICIPALITY TO COOPERATE WITH EUROPEAN CITIES WITH NEW PRINCIPLES [ARMENPRESS, 01/26/09]

This year the Yerevan municipality will activate its cooperation with partner and sister towns. Head of the foreign relations department of the municipality Davit Gevorgian told today journalists that during the year the relations with Astana (Kazakhstan), Shiraz (Iran), Warsaw (Poland) as well as with a number of Italian towns will be promoted and a cooperation agreement will be signed with Rostov-on-Don (Russia).



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According to D. Gevorgian, from this year Yerevan will establish cooperation with European towns with new principles, particularly it will be integrated in the programs which are implemented in these towns: cooperation is intended in the management of town economy, sport and social spheres. Within the frameworks of the "Eurocities" program the municipality will cooperate with Warsaw.

Head of the department said that last year Yerevan consolidated its friendly relations with Delhi (India), Sofia (Bulgaria) and a number of other towns and made more than 20 visits to partner towns. The developed European towns are interested in the cooperation with Yerevan in cultural and education spheres.

Former Soviet countries are interested in the Yerevan experience in the management of town economy. Yerevan has 29 partner and sister towns.

## SPORTS

### 37. LEVON ARONIAN BEATS SERGEY MOVSISIAN IN CORUS SUPERTOURNAMENT'S 5TH TOUR [NOYAN TAPAN, 01/23/09]

The Corus 2009 International Supertournament continues in the city of Wijk aan Zee, Holland. In the 5th tour held on January 22 Levon Aronian beat Sergey Movsisian (Slovakia) and shares the 2-5th places with another 3 participants with 3 points each. And Sergey Karyakin (Ukraine) is in the lead of the tournament table with 3.5 points.

In the 6th tour L. Aronian will compete with Vasili Ivanchuk (Ukraine) and S. Movsisian with Alexander Morozevich (Russia).

### 38. REPUBLICAN CHESS FEDERATION ACCOUNT ELECTORAL CONFERENCE TO TAKE PLACE ON JANUARY 26 IN YEREVAN [NOYAN TAPAN, 01/23/09]

Armenian Chess Federation's account electoral conference will take place on January 26 at Tigran Petrosian Chess House. As Noyan Tapan correspondent was informed by Smbat Lputian, Federation's Vice-Chairman, the work done in two years will be discussed, the inspection committee's report will be heard at the conference. The last issue on the agenda is the election.

### 39. L. ARONIAN SHARES 2-4 PLACES IN THE WIJK-AN-SEE TOURNAMENT [ARMENPRESS, 01/26/09]

Armenian grand master Levon Aronian with white figures played a draw with Dutch Luke van Velli and gained 4 points in the eighth round of "Corus" international chess tournament. The tournament is being held in the town of Wijk-an-See, Holland.

After the eighth round grand master Sergey Movsisian from Slovakia is the leader of the tournament with 4.5 points: in this round he with white figures played a draw with Dutch Yan Smeths.

L. Aronian, Sergey Karyakin from Ukraine, Luis Dominguez from Cuba and Azerbaijani Teymur Rajabov share the 2-4 places with 4 points.

Today is a day off in the tournament. In the next ninth round L. Aronian will with black figures play with American grand master Gata Kamski, and S. Movsisian also with black figures - with S. Karyakin.

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