2018 CIVIL SOCIETY ORGANIZATION SUSTAINABILITY INDEX

ARMENIA

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OCTOBER 2019

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OVERALL CSO SUSTAINABILITY: 3.6
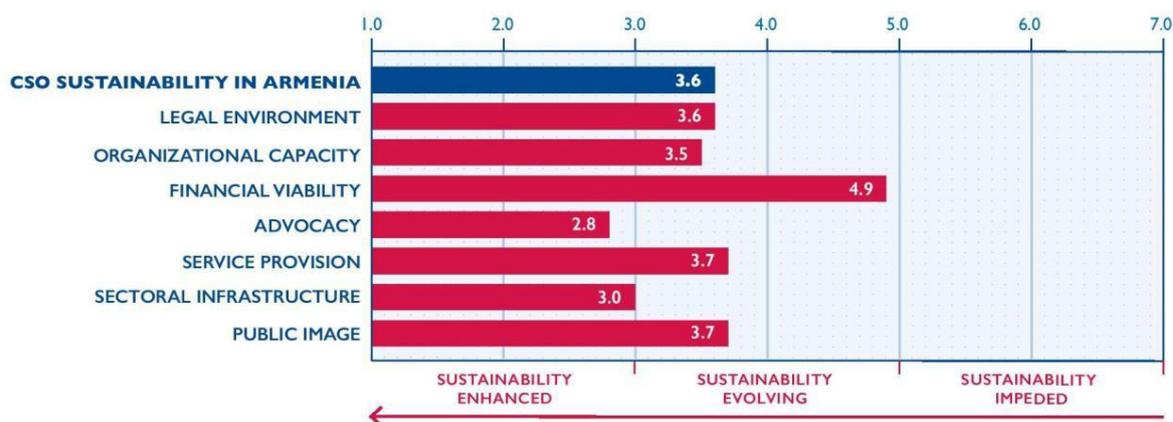
2018 was a turning point in Armenian political history. In April and May, the country experienced some of the largest protests and demonstrations since its independence in 1991. The protests were triggered by what was seen as a power grab by the former president, Serzh Sargsyan, who was named prime minister after his final term as president ended. A 2015 amendment to the constitution changed the country's governance system from semi- presidential to parliamentary, making the office of the prime minister more powerful than that of the president. Demonstrators were also upset by long-term economic stagnation, oligarchic rule, economic monopoly, and the extremely high level of corruption plaguing the country.

In response to the protests, which included decentralized strikes and blockades of major highways, Sargsyan announced his resignation on April 23. This political transformation, led by member of parliament (MP) and leader of the opposition Civil Contract Party (CCP) Nikol Pashinyan, was dubbed a Velvet Revolution. Eventually, Pashinyan was elected prime minister and formed a new government. This was followed by parliamentary elections in December, the first-ever snap parliamentary elections held in Armenia since the country's independence in 1991. Opposition parties scored a decisive victory over the old regime during these elections, effectively ending the rule of the Republican Party of Armenia (RPA), which had held power for nearly twenty years.

Two key civil society movements—Merzhir Serzhin (Reject Serzh) and the Restart student initiative— played essential roles during the political developments in 2018. Along with other CSOs, they quickly mobilized significant constituencies in support of the protests. CSOs also played an important role after the revolution, pushing anti- corruption and human rights agendas and preparing for and monitoring the election process. In addition, many civil society activists and representatives took posts in the new government and received mandates in parliament, as well as the Yerevan City Council.

The CSO sector's overall sustainability improved in 2018 with advances noted in all dimensions. Advocacy improved as CSOs played a key role in the unprecedented political transformation. State harassment of CSOs decreased, resulting in an improvement in the legal environment. A significant number of donor-funded capacity-building projects fostered improved organizational capacities, provision of high-quality services, and diversification of financial resources. The infrastructure supporting the sector increased, with new and improved platforms for CSO dialogue and cooperation and a wider spectrum of capacity-building programs and training opportunities. CSOs' public image improved due to the increased visibility of CSOs in the media and improved perceptions of CSOs by both the public and government in the aftermath of the Velvet Revolution.

According to the Ministry of Justice, there were 4,222 public organizations, 1,120 foundations, and 244 legal entity unions registered in Armenia as of the end of 2018. This represents a decrease in the number of public

organizations by 560 over the past year due to a state policy adopted in 2016 to dissolve public organizations that had not provided reports for the last four years. The number of legal entity unions decreased by 73, mainly as a result of legislative changes introduced in 2017, which eliminated legal entity unions as a legal form and required them to modify their charters and re-register as foundations or public organizations by February 2019.

LEGAL ENVIRONMENT: 3.6

LEGAL ENVIRONMENT IN ARMENIA
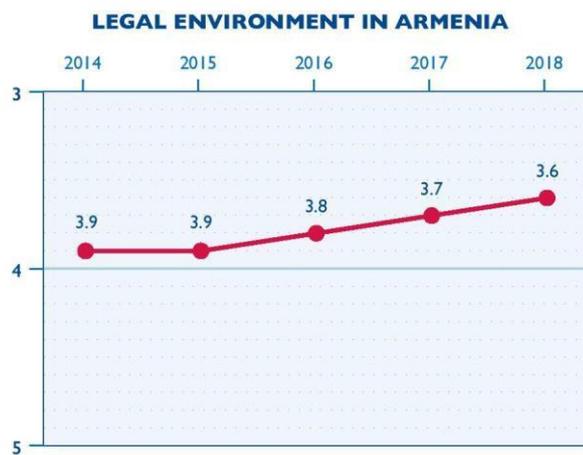
In 2018, the legal and regulatory environment governing the CSO sector improved slightly as the intimidation and harassment of CSOs and their members by state institutions and groups acting on behalf of the state decreased.

There are two types of formal CSOs in Armenia: membership-based public organizations, regulated by the Law on Public Organizations, and non-membership foundations, regulated by the Law on Foundations. In 2018, regional branches of the State Register of Legal Entities within the Ministry of Justice (MoJ) started to accept applications. This has significantly reduced registration delays, the risk of corruption, and the excessive bureaucracy that plagued the registration process in the past. The MoJ is obliged to respond to applications from public organizations within ten working days, and to applications from foundations within fifteen days. If an applicant uses the standard charter provided by the MoJ, the response time is reduced to two working days. There is still no online registration system for CSOs. Informal groups and initiatives are free to operate without registration as long as they adhere to general legal regulations and do not engage in financial transactions.

The Law on Public Organizations and Law on Foundations prohibit interference by state bodies and local authorities in the activities of CSOs as long as their operations are in compliance with the law. The laws clearly define the roles and responsibilities of boards, supervising committees, executives, and members. All foundations, as well as public organizations that receive public funding, are required to submit annual financial reports.

The State Revenue Committee (SRC) assumed responsibility for CSO oversight from the MoJ in 2017. In 2018, the SRC initiated amendments to the Laws on Public Organizations and Foundations that envisage increased reporting and other requirements. In November 2018, over 100 CSOs, including the Armenian Lawyers' Association, International Center of Human Development (ICHD), Women's Development Resource Center Foundation (WDRC), OxYGen Foundation for Protection of Youth and Women's Rights, and Taxpayer Protection NGO, submitted recommendations to the SRC to revise the proposed reporting requirements, after which the SRC agreed to form a working group with CSOs to work further on these amendments.

CSOs are allowed to operate freely, address matters of public debate, and express criticism, as long as they act in line with the general legal framework. CSOs and their members have the right to assemble and participate in peaceful public protests. However, CSOs are allowed to represent their constituents' interests in court only in cases dealing with environmental issues.

Although many civic activists were detained during the Velvet Revolution, the situation improved dramatically immediately thereafter and CSOs and their members did not experience any direct abuse by state institutions or groups acting on behalf of the state for the rest of the year. Notably, police harassment during peaceful public protests and demonstrations ceased, a change from previous years when individuals, including CSO and media representatives, were arrested by police or attacked by supporters of the regime from time to time.

According to the Tax Code, CSOs with total annual income exceeding AMD 58.35 million (about $120,000) have to pay 20 percent value-added tax (VAT) on their income. However, CSOs are eligible for exemptions from VAT for purchases under certain projects and procurements 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.

The legal framework allows both public organizations and foundations to engage in direct income-generation activities. Any profit generated must be used in accordance with the goals stipulated in the organization's charter. Social enterprises do not receive any special tax benefits, and are instead subject to the same taxes as commercial enterprises. CSOs are also allowed to compete for government contracts at the local and central levels. In order to provide certain social services under government contracts, public organizations must be certified by the Ministry of Labor and Social Affairs (MLSA). CSOs are allowed to engage in fundraising campaigns and accept funds from foreign donors.

There are local lawyers trained and specialized in CSO-related issues in Yerevan and regional centers. In addition, CSOs can access legal support from resource centers and local organizations focused on human rights or legal issues. In 2018, organizations including the Armenian Lawyers' Association, Transparency International Anticorruption Center (TIAC), the A.D. Sakharov Armenian Human Rights Protection Center, NGO Center (NGOC), Eurasian Partnership Foundation (EPF), and Civic Development and Partnership Foundation (CDPF) helped CSOs to revise and improve their charters, understand new changes in legislation, and properly organize social enterprises. In addition, in 2018 the USAID-funded CSO Development Program (CSO DePo) published two handbooks focused on CSO registration and operation.

ORGANIZATIONAL CAPACITY: 3.5

CSOs' organizational capacities improved slightly in 2018 as a result of advances in CSOs' strategic planning, internal management, and constituency-building capacities fostered by the long-term efforts of several donor-funded projects, including the EU-funded STRONG CSOs for Stronger Armenia (2015–2018), the USAID-funded Engaged Citizenry for Responsible Governance program (2014–2019), and the EU-funded Bridge for CSOs (2016–2019).

ORGANIZATIONAL CAPACITY IN ARMENIA

| 2014 | 2015 | 2016 | 2017 | 2018 |
| 3.7 | 3.7 | 3.7 | 3.6 | 3.5 |

CSOs continually improve their abilities to identify potential constituents and beneficiaries and develop relationships with them. According to the Capacity Building Needs Assessment conducted in 2018 within the framework of the STRONG CSOs project, CSOs reported improvements in obtaining feedback from beneficiaries and increasingly used more effective mechanisms to collect data on their constituents and beneficiaries. Several donor-funded projects included constituency-building components during the year. For example, the USAID-funded Engaged Citizenry for Responsible Governance program, managed by TIAC, builds CSOs' capacities to use participatory methodologies to engage constituents in their monitoring and advocacy efforts. In general, informal social movements seem to have stronger relationships and wider outreach with their constituencies than formal CSOs. For example, the Restart student initiative, which began at Yerevan State University, created local groups at fourteen other universities throughout the country, resulting in a large group of supporters and constituents.

CSOs also reported significant improvements in 2018 in their abilities to define missions and organizational goals, engage in strategic planning, and use self-assessment techniques to measure the success of their work.

This improvement was also facilitated by various capacity-building projects. For example, within the framework of the CSO DePo program, more than 100 CSOs were evaluated and received consultations in strategic planning, communications, self-assessment, service provision, and other areas. Formally registered CSOs are required to state their main goals and spheres of activities in their charters. Generally, CSOs try to follow their missions and priorities, however, in many cases donor funding drives the spheres in which CSOs operate. In
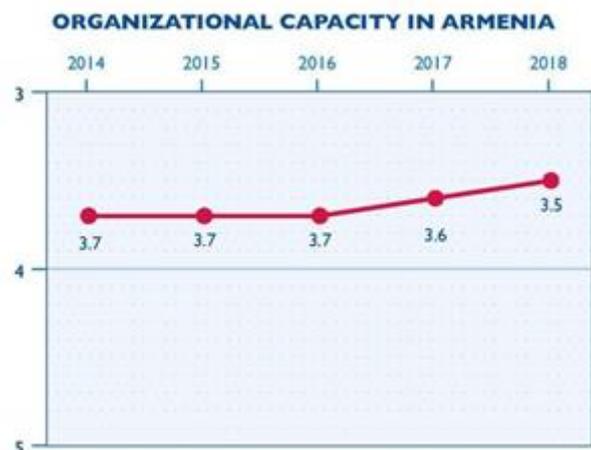
many cases, informal initiatives and movements have more precise missions, priorities, and strategic goals and are more persistent in implementing them than formal CSOs.

The Law on Foundations prohibits the employment of board members in executive management. The Law on Public Organizations, on the other hand, does not require a division of responsibilities between governance bodies and staff members. While this provides organizations with flexibility in determining their management and governance structures, it also allows conflicts of interest, particularly in small CSOs that often employ their board members. According to the Capacity Building Needs Assessment, CSO boards have become more engaged in decision-making processes and demonstrated an increased role in organizational operations. The assessment also found that the number of CSOs that use written internal policies or procedures to guide their organizational activities has increased. CSOs continue to experience conflicts of interest, but increasingly acknowledge the need to take appropriate steps to minimize such occurrences.

The quality and management of human resources also improved in 2018 due to various capacity-building programs. The STRONG CSOs project reported an improvement of capacities in procurement and database management at the overall organizational level, while planning and technological awareness skills have improved on the personal level. Generally, CSOs engage staff on short-term contracts when funding is available. A small number of CSOs— primarily large CSOs that have been involved in capacity-building programs, have adequate human resources practices. CSOs generally outsource the services of accountants, information technology (IT) specialists, and lawyers when needed, as this is less expensive than hiring permanent staff.

A culture of volunteering is increasingly developing in Armenia. According to the STRONG CSOs needs assessment, 90 percent of surveyed CSOs involve volunteers in their work, while 21 percent of respondents reported that they do not have paid employees at all and work solely with volunteers.

CSOs generally have access to basic office equipment, but few CSOs can afford to upgrade their equipment unless grant funding is available. Internet access is readily available throughout the country and is relatively cheap. Most functioning CSOs have websites, as well as social media pages. Facebook and Instagram are especially popular among CSOs, whereas Twitter, LinkedIn, and other social media platforms are used less. In 2018, some CSOs started to use Telegram, a secure messaging app that became especially popular during and after the Velvet Revolution.

FINANCIAL VIABILITY: 4.9

FINANCIAL VIABILITY IN ARMENIA

2014	2015	2016	2017	2018
5.2	5.2	5.1	5.0	4.9

Although it remains the weakest dimension of sustainability, CSOs' financial viability improved slightly in 2018 due to increased diversification of funding opportunities, as well as increased transparency of government funding.

CSOs increasingly acknowledge the need to diversify their resources, but a majority of CSOs' income still comes from foreign donors including the United Nations (UN), European Union (EU), USAID, and Open Society Foundation. The level of foreign funding did not change significantly in 2018, although some donors expressed their willingness to support democratic reforms in Armenia, with increased funding expected in 2019.

CSOs have enhanced their capacities to raise funds from local sources, including local businesses and philanthropic individuals and foundations. The Armenian diaspora is a key source of funding for local CSOs. For example, the Armenian General Benevolent Union (AGBU), based in New York City, has an annual budget of over $46 million. Several international organizations and philanthropic foundations, such as World Vision Armenia, Save the Children, and Armenian Karitas, have started to engage in local fundraising efforts. For example, Armenian Karitas organized a charity dinner in Gyumri in November. Several large companies, such as Qajaran Copper-Molybdenum Company, various telecommunications and IT companies, and financial organizations, collaborated with CSOs within the framework of their corporate

philanthropy and corporate social responsibility (CSR) programs in 2018. For example, an increasing number of companies collaborate with the Eco Aghb initiative group, which collects plastic and paper garbage and sells it to recycling companies, using the income for its ecological initiatives. As part of its CSR efforts, the ACBA Credit Agricole Bank started offering special low-rate loans for social enterprises in collaboration with the Association of Social Enterprises of Armenia.

CSOs increasingly use crowdfunding techniques to raise funds, including from the business sector and diaspora. For example, the Restart student initiative used crowdfunding initiatives to cover the tuition of students from economically disadvantaged families. Based on the success of these activities, Restart initiated the establishment of the Restart Foundation, which will be in charge of more institutional fundraising activities. Currently, a limited number of CSOs collect membership dues, which are usually very small and do not cover basic operational costs.

CSOs are increasingly interested in social entrepreneurship and some social enterprises established in recent years have become quite successful. For instance, ten social enterprises established in 2017 under the EU-funded Community Development through Social Entrepreneurship (CODE-SE) project generated income in 2018, which they used to support various social projects, including educational opportunities for disadvantaged families, youth programs, and cultural activities. Several platforms and organizations support social entrepreneurship in the country. These include the EU, Impact Hub Yerevan, USAID, KASA Foundation, Red Cross Armenia, the Association of Social Enterprises of Armenia, and CDPF's Center for Social Entrepreneurs. Sky and Impact youth clubs throughout the country, organized by World Vision Armenia, develop and implement small business projects in their local communities, such as a greenhouse in Sisian, production of agricultural products in Shirak region, a school for DJs in Gyumri, and tourism projects. Some of these projects have made the clubs self-sustainable. Other successful social enterprises include Nimba, which enables women from disadvantaged families to work in the textile industry; Aregak, the first inclusive and barrier-free bakery and coffee shop in Gyumri; and the Bohem art- teahouse in Sevan. Many CSOs have started providing paid services to government bodies and other sectors, including training and capacity-building services, strategic planning, and research services. The scale of these services increased in 2018.

Central government and local self-government bodies provide small amounts of grant funding to CSOs, and outsource some social services to CSOs. In 2018, the total budgeted amount for nonprofit grants and subsidies directed to non-governmental and non-commercial (public) organizations was about 10.8 billion AMD (about $22 million), compared to 6.8 billion AMD in 2017. After the Velvet Revolution, the process for allocating state grants became more open and transparent. For example, the Ministry of Culture updated its application forms based on templates used in the CSO sector. In addition, recent constitutional and legislative changes are having a positive influence on the transparency of public expenditures, including to CSOs. As a result, more CSOs were able to bid on state grant opportunities on equal terms with other organizations.

In addition to volunteer labor, local CSOs benefit from other forms of non-monetary support from their communities and constituencies, including free office space in public administration buildings. In many cases, local governments also cover the cost of CSOs' utilities.

Generally, CSOs, particularly foundations, have appropriate financial management systems that allow them to produce financial reports for their donors and government. Donor-funded capacity-building projects often address financial management and financial sustainability issues. The Law on Public Organizations requires public organizations that receive public funding to disclose annual reports, while all foundations are required to publish their annual financial reports on the state-administered Azdarar web-page. Foundations are required by law to conduct external audits if their total assets exceed AMD10 million (around $21,000); public organizations generally only do so if required by their donors. According to the STRONG CSOs needs assessment, CSOs often identify finance-related capacities, including financial management and fundraising, as their top needs.

ADVOCACY: 2.8

CSO advocacy improved significantly in 2018. Civil society's role in the Velvet Revolution demonstrated its capacity to quickly address the needs of the population at large and to shape the public agenda. The Merzhir Serzhin (Reject Serj) initiative formed immediately after Sargsyan announced his intention to

become prime minister. Together with the Restart student initiative, it mobilized massive numbers of students and youth during the protests. Civil society's final victory was achieved with the downfall of RPA, which had instilled a culture of corruption, oligarchy, poverty, and poor protection of human rights during its more than two decades of rule.

ADVOCACY IN ARMENIA

After the Velvet Revolution, the new government launched wide-ranging democratic reforms that are generally in line with the CSO sector's agenda, including the introduction of transitional justice measures, facilitation of higher levels of democratic governance, fight against corruption, and enhancement of governmental transparency and accountability. CSOs were involved in developing these policies in 2018. For example, the CSO sector played a major role along with governmental authorities and the political opposition in the 2018 electoral reform process. CSO representatives were also actively involved in oversight activities for the elections.

A number of institutional mechanisms and platforms provide opportunities for CSOs to participate in government decision-making processes. The Law on Legal Acts, a new version of which came into force in March 2018, requires the organization of public discussions on draft laws. In addition, the government's e-draft.am platform houses draft laws developed by state agencies, and CSOs can participate in various public councils and working groups. After the revolution, the newly formed government and local authorities were more responsive to CSOs' advocacy activities and the effectiveness of these mechanisms increased. CSOs were able to provide their recommendations and opinions on various draft laws through the e-draft.am platform, which began functioning in 2017 and became significantly more popular in 2018. For example, CSOs provided feedback on the amendments proposed by the SRC to the Laws on Public Organizations and Foundations that envisage increased reporting and other requirements, which was viewed on the platform nearly 2,000 times. All seventeen ministries have public councils that include CSOs. State agencies and local self-government bodies also became more responsive to CSO criticism, suggestions, and recommendations.

Donor-funded projects support many broad-based advocacy campaigns aimed at shaping the public agenda, public opinion, or legislation in 2018. The EU-funded Commitment to Constructive Dialogue is aimed at enhancing the influence of CSOs and CSO coalitions on public, local, and national policy agendas. Its efforts focus on identifying common concerns and priorities, while approaching government bodies with constructive and strategic policy engagement initiatives. The USAID-funded Engaged Citizenry for Responsible Governance project aims to increase civic engagement and oversight of reforms to improve transparency and accountability of government actions and policies.

In 2018, CSOs engaged in many advocacy initiatives in response to needs that emerged in the context of the ongoing political and economic changes in the country. For example, after the government announced a plan to set a 23 percent income tax on all salaries and to compensate for the expected budget loss by increasing excise taxes on approximately seventy types of products, the newly formed Against Income Tax Equalizing initiative and the Boon TV educational portal initiated active discussions on welfare and social justice issues. The Armenian Ecological Front, along with other activists, raised concerns about the risks that the new Amulsar metal mine posed to the health and safety of communities and the environment. As a result of continuous protests at the mine, the miners stopped working, forcing the government to initiate a new environmental impact assessment. Infotun networks received small grants to monitor the process of community consolidations initiated by the central government. As a result, a set of recommendations was developed and submitted to the Ministry of Territorial Administration and Development.

There were no cases recorded in 2018 of the newly formed government either directly or indirectly discouraging CSO advocacy on politically controversial issues. In addition, illiberal and populist advocacy groups that had previously been active became largely dormant and did not significantly challenge the initiatives of democratic, right-promoting CSOs.

CSOs are comfortable with the concept of lobbying. Local CSOs were especially successful lobbying at the local level in 2018. For example, within the framework of USAID-funded Engaged Citizenry for Responsible Governance project, the Compass Research Training and Consultancy Center provided twenty-nine recommendations to the Gyumri town municipality on the formation of new, more effective models for garbage collection, road construction, the creation of working groups, and other topics. The town council accepted seventeen of these recommendations and incorporated them into its 2019 budget.

The CSO community has a good understanding on how a favorable legal and regulatory framework can enhance CSOs' effectiveness and sustainability. In 2018, several CSOs made efforts to improve the new government's long- term vision on social entrepreneurship. In addition, the Armenian Lawyers' Association worked with over 100 partner CSOs to engage in a constructive dialogue with the SRC on the creation of the CSO-SRC working group, which will focus on CSO accountability and drafting amendments to the Laws on Public Organizations and Foundations.

SERVICE PROVISION: 3.7

SERVICE PROVISION IN ARMENIA
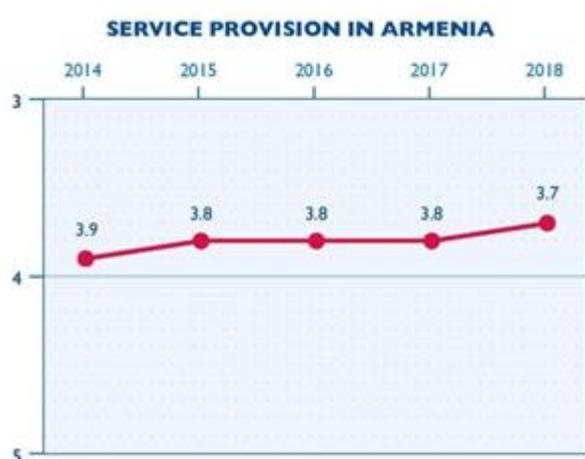
CSO service provision improved slightly in 2018 as the range and quality of CSO services expanded. CSOs also demonstrated increased responsiveness to their constituencies' emerging needs and the government expressed growing appreciation for CSO services.

CSOs provide services in a variety of fields including community development, social services, education, human rights protection, environment, and government accountability and transparency. According to the STRONG CSOs needs assessment, more CSOs mentioned economic development and poverty reduction as their dominant fields of work during 2018 than in 2015, indicating expanded diversification of services.

Although CSOs provide a diverse range of goods and services, they still only partially meet the needs of their constituents. For example, while there has been growth in the types of projects initiated within the youth sector, they still do not fully address the primary needs of youth in terms of employment and education. CSOs increasingly recognize the importance of comprehensive needs assessments and research. The STRONG CSOs needs assessment reports that the percentage of CSOs conducting needs assessments increased from 15 percent in 2015 to 31 percent in 2018. The growth in the use of needs assessments, particularly those based on participatory approaches, is also encouraged by donor-funded projects. For example, the EU-funded Commitment to Constructive Dialogue requires its sub-grantees to engage in research as part of its constructive and evidence-based policy-making activities.

CSOs generally provide their goods and services to a broad range of beneficiaries. The Law on Public Organizations stipulates non-discrimination as a key principle of CSOs' activities. CSOs generally follow this rule and provide goods and services without discrimination regarding race, gender, ethnicity, or sexual orientation.

Largely as a result of donor-funded capacity-building projects, CSOs have moderately improved their capacities to generate revenue through service provision. For example, within the framework of the EU-funded EU4Women: Economic Empowerment through Social Enterprise project, which is jointly implemented by the Near East Foundation UK (NEF UK) and WDRC, twelve CSOs in the provinces received technical and financial support to launch or further develop social enterprises. Government appreciation for CSO services—especially social services and public monitoring of state and local self-government bodies—significantly improved in 2018. For example, during the government session held in December 2018, the prime minister announced the government's willingness to outsource more social

services to CSOs in 2019. Local municipalities allocate 1 to 5 percent of their annual budgets to local CSOs for projects in the fields of education, recreation, and culture.

SECTORAL INFRASTRUCTURE: 3.0

The infrastructure supporting the CSO sector improved slightly in 2018 due to the increased scope and quality of the technical assistance and training programs provided by intermediary support organizations (ISOs), resource centers, and academic programs. In addition, CSO networks and coalitions have strengthened.

SECTORAL INFRASTRUCTURE IN ARMENIA

| 2014	2015	2016	2017	2018
3.3	3.2	3.2	3.1	3.0

ISOs and resource centers, such as EPF, NGOC, Partnership and Teaching NGO, TIAC, and the Network of Infotuns (information houses) continue to provide assistance, training, information resources, as well as sub-grant opportunities to CSOs. A portal created on the CSO DePo webpage in 2016 presents profiles of CSO trainers and consultants. The portal had at least 3,000 visitors per month during 2018, and anecdotal evidence suggests that most of the thirty-three listed experts have been contacted by various CSOs at least ten times to conduct training and capacity-building exercises. Capacity-building activities and training opportunities are available both in Yerevan and the regions. ISOs and resource centers provide some paid services to CSOs, thus generating some revenues.

Several ISOs re-grant international donor funds to local CSOs for projects that address locally-identified needs. The Armenian Lawyers' Association provided forty-seven EU-funded sub-grants to consortia of CSOs during the year. TIAC continues to provide grants to local CSOs within the framework of the USAID-funded Engaged Citizenry for Responsible Governance Project.

Cooperation within the CSO sector significantly improved during 2018, largely as a result of available grant programs focused on CSO consortia and coalitions. At the end of 2017, the STRONG CSOs project awarded sub- grants to seventeen coalitions involving forty-six CSOs from all over Armenia, with total funding exceeding EUR 900,000 (up to EUR 60,000 per project). The EU-funded Commitment to Constructive Dialogue program provided nine sub-grants to nine CSO coalitions; a total of AMD 225 million (approximately $472,000) was awarded. Finally, seven CSO coalitions that participated in the CSO Incubator project were awarded sub-grants worth up to AMD8.5 million (approximately $17,800) each to strengthen the capacities of their coalitions.

In 2018, CSOs enjoyed increased access to capacity-building and training programs covering diverse aspects of organizational management, including strategic management, financial management, fundraising, volunteer management, social entrepreneurship, constituency building, and advocacy. The STRONG CSOs project reached 360 staff members from 135 CSOs through trainings, coaching sessions, and pro bono consultations on organizational management, project management, fundraising, and social entrepreneurship. Within the framework of the EU-Funded BRIDGE for CSOs project, AGBU Armenia provided training to 150 representatives of 115 CSOs in 2018, while another component of the project created links between 75 local CSOs and over 41 experienced pro bono professionals from the diaspora. In addition, provincial CSOs had greater access to trainings, as some training projects formally required the inclusion of regional CSOs. Some training materials are available in Armenian; however, a significant portion of the literature is still not available in the local language.

In November 2018, American University of Armenia (AUA) launched a new certificate program in nonprofit management within the framework of the BRIDGE for CSOs program. Eighteen CSO representatives from Yerevan and surrounding provinces began this program at the end of 2018. The Faculty of International Relations of Yerevan State University provides a six month-long intensive academic course on CSO management.
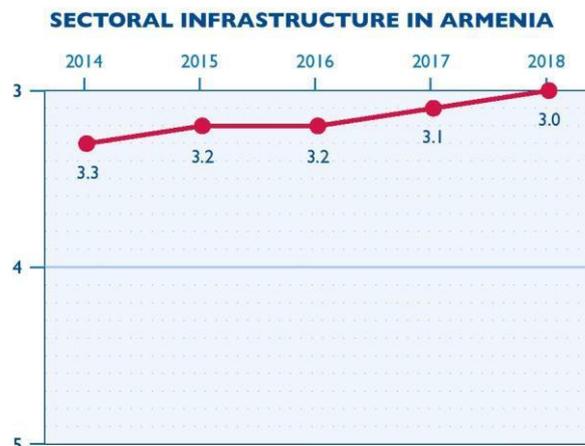
Business Coalition, which is comprised of more than thirty CSOs, for example, started to work with the Ministry of Economic Development and the Standing Committee on Economic Affairs on the new Small and Medium Enterprise (SME) Development Strategy for 2019-2024. Child rights organizations such as World Vision and Save the Children initiated the Ending Violence Against Children campaign, with active participation by the media aimed at increasing public awareness of the issue. Collaboration with the business sector is still limited.

PUBLIC IMAGE: 3.7
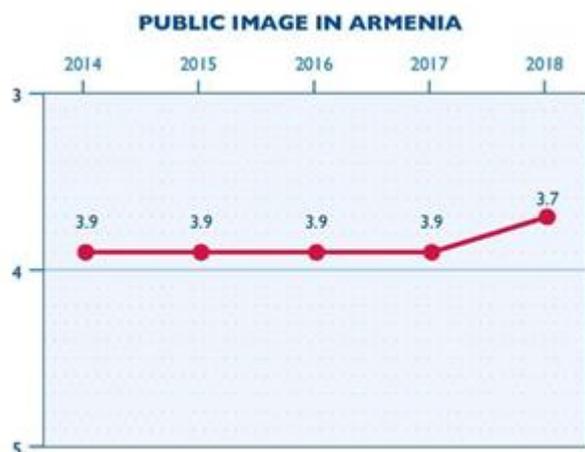
CSOs' public image improved moderately in 2018 due to the increased visibility of CSOs in media and widespread recognition of civil society's role in the Velvet Revolution. In addition, many CSO representatives took government posts and participated in elections after the revolution, increasing CSOs' visibility even more.

The scope and quality of media coverage of CSOs improved significantly in 2018, with media, especially local and online outlets, regularly covering CSO events and activities. Both broadcast and online media outlets more frequently turned to CSO representatives for expert opinions on topics of public concern in 2018. 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, and Factor TV, are particularly CSO-oriented and provide regular space and time for CSOs. On the other hand, media coverage of CSOs at the national level, especially on traditional TV channels, is still limited. In addition, media coverage of CSO activities is largely superficial, often lacking more in-depth and systematic analysis of the roles CSOs play in society. CSOs are sometimes able to broadcast public service announcements for free.

Under the previous regime, there were many negative publications, particularly in the pro-government media, in which CSOs were accused of "grant-chasing," following "European values," or opposing traditional Armenian values. The number of such stories decreased in 2018.

According to the Public Opinion Survey: Residents of Armenia, conducted in October 2018 for the International Republican Institute (IRI), 46 percent of respondents consider the work of NGOs and CSOs favorable, while 38 percent consider it unfavorable. While the public perception of CSOs has improved moderately over the past few years, there is still a perception among the population that CSOs are "grant-chasing" organizations. People usually have positive attitudes and trust towards those organizations and CSO representatives that they know personally, especially provincial CSOs and non-formal initiatives. The public became more supportive of CSOs' activities after the Velvet Revolution. For instance, many people have now joined CSOs that are engaged in public monitoring of local government and municipal budgets, whereas previously these groups were perceived negatively. In addition, the number of people who turn to CSOs for various forms of support has increased.

CSOs' reputation with the government also improved significantly in 2018. Many new government officials acknowledge CSOs' expertise, research capacities, and opinions and are more open to collaborating and cooperating with CSOs, including on the provision of services. The government's recognition of CSO expertise also is demonstrated by the fact that several key sectoral documents were developed in close collaboration with CSOs in 2018. For instance, the Union of Informed Citizens drafted amendments to the Electoral Code in close collaboration with the government and other CSOs prior to the snap parliamentary elections. The perception of CSOs—both those engaged in advocacy and service provision—has also improved among local government officials. CSOs are more frequently invited to participate in local public consultation meetings and decision-making processes, and their voices matter. The business sector, on the other hand, still has a limited understanding of CSOs and

their role.

CSOs constantly strive to improve their public relations skills, as well as their relationships with journalists. In 2018, the Media Initiatives Center organized media tours to Gyumri, Alaverdi, Armavir, and Vanadzor within the framework of the CSO DePo and Media for Informed Civic Engagement (MICE) projects supported by USAID. During these tours, journalists representing various prominent media outlets were introduced to the activities and initiatives of local CSOs, as a result of which media materials on grassroots civil society activities were published.

CSOs such as the Compass Research Training and Consultancy Center in Gyumri and the NGO Center in Vanadzor actively use social media, particularly Facebook and Instagram, to raise public awareness of their activities. One way they do this is through the use of live streams on social media during public consultation meetings and workshops. Many CSOs and civic initiatives also now publish announcements and news on a regular basis. In general, informal civil society initiatives use social media more systematically than formal CSOs. Though many CSOs have started to use social media, few have developed social media strategies and most still lack professional approaches. During its training and capacity-building activities, EPF addressed CSOs' capacities to promote their public image, including the use of visual and verbal communication through websites and social media.

Only a few advanced and relatively large CSOs have codes of ethics or try to demonstrate transparency in their operations by publishing annual reports or other relevant information. While associations are not required to publish annual reports, foundations are required by law to publish annual reports on the state-administered websites. Disclosed annual reports are usually very generic, with basic information about beneficiaries and activities, but no details about CSOs' operations or financial flows. Some CSOs share information about their activities in the form of infographics rather than detailed annual reports.