

Advocacy brief

Equitable regional development under CEPA agreement commitments of Armenia

Between December 2024 and May 2025, a monitoring initiative was conducted to assess the implementation of selected commitments and actions under the Comprehensive and Enhanced Partnership Agreement (CEPA) signed between the European Union and the Republic of Armenia, including its annexes, roadmap, and action plan. The objective of the monitoring was to evaluate the extent to which the Government of Armenia has fulfilled its obligations relating to balanced regional development.

Armenia’s commitments are outlined in the CEPA annexes (Annex I – Articles 132, 133, 134; Annex II – Articles 79, 80, 81). Based on a review of Armenian legislation, the CEPA Agreement, corresponding obligations, and performance indicators, the monitoring concluded that the commitments undertaken by Armenia in the field of balanced regional development have not been adequately fulfilled. The reasons include insufficiently or poorly defined implementation actions, as well as inadequate efforts and a lack of consistency in execution.

As a result of the monitoring, a set of recommendations was developed for the Government of Armenia, the Prime Minister, the National Assembly, and relevant line ministries. One key recommendation calls for a comprehensive review and refinement of implementation actions tied to CEPA obligations, ensuring that they are properly defined and supported with time-bound, resource-based, and quantitative indicators.

It is further recommended that, within six months, the government adopts the necessary legislative and sub-legislative acts to operationalize the Concept for the Decentralization of Powers in the Republic of Armenia, as approved by Prime Ministerial Decision No. 1111-A, dated November 7, 2023. Another core recommendation is undertaking a fundamental revision of the current system of municipal financing, ensuring that communities, settlements, and regions are equipped with the financial resources required for development, infrastructure, and access to services. In this context, a redistribution of state powers in favor of local self-government bodies is deemed essential.

The problem of Armenia’s unequal development has deepened over decades, largely due to high-level corruption amounting to state capture, as well as the authorities’ failure to eliminate corruption. Successive governments have also overlooked the demographic crisis and underestimated the strategic importance of investments in regional infrastructure.

The sectoral CEPA monitoring, along with the development of this report and its recommendations, was conducted by Levon Barseghyan, Council chairman of the Journalists’ Club “Asparez” NGO and an expert in local self-government.

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