



**CENTER FOR REGIONAL DEVELOPMENT
TRANSPARENCY INTERNATIONAL ARMENIA**



BI-ANNUAL REPORT 2000-2001

Chairwoman/Executive Director: Amalia Kostanyan
5 Nalbandyan Street, Room 35
Yerevan 375010 Armenia
Tel./Fax: (374 1) 585578
E-mail: crd_ti@cornet.am

1. ORGANIZATIONAL DEVELOPMENT

Foundation

The Center for Regional Development is a non-governmental organization (hereinafter the Organization), founded in July 2000. The Goal of the organization is to promote political, economic and social reforms through the fostering of good governance.

Founding members of the Organization were:

1. Amalia Kostanyan, Chairwoman/Executive Director
2. Arevik Saribekyan, Board Member
3. Sona Ayvazyan, Board Member
4. Arthur Lalayan, Board Member
5. Alexander Gazaryan, Board Member
6. Gohar Minasyan, Oversight Committee Member
7. Marine Ghazaryan, Oversight Committee Member
8. Marine Klyan, Member
9. Varuzhan Hochtanyan, Member
10. Lilit Hakobyan, Member
11. Mkhitar Balayan, Member
12. Bagrat Tunyan, Member
13. David Sargsyan, Member

In 2001, Tigran Aloyan, Narine Matinyan and Naira Gyulnazaryan joined the Organization. The total number of members in December 2001 was 16 people.

The Organization was registered at the Ministry of Justice of RA on August 21, 2000.

Accreditation

The first initiative of the Organization was the Conference “Towards Good Governance through Regional Cooperation” organized in October of 2000, with the support of a grant from the US State Department Bureau for Education and Culture, received by A.Kostanyan, Chairwoman of the Organization. Conference participants included Donald Bowser, Program Officer on CIS Countries of Transparency International (TI) anti-corruption movement’s Secretariat, and Gia Kiknadze, Director of TI Georgia.

In late October 2001, the Organization's representatives were invited to meet Peter Eigen, Chairman of TI, and Miklos Marschall, Regional Director of TI Secretariat, who were in Tbilisi on a business visit. In November 2000, the Organization was officially recognized as TI partner organization in Armenia and in May 2001 - as TI Chapter in Formation. In October 2001 the organization was conferred a status of TI National Chapter in Armenia.



Meeting in Georgia

Coalition Building

In March 2001, in cooperation with the Civil Society Development Union the Organization held a seminar on "Formation of TI Chapter in Armenia: Prerequisites and Perspectives." The main purpose of the event was the establishment of an anti-corruption coalition under the Organization's umbrella in order to coordinate civil society efforts in this field.

By the end of the seminar, 9 out of 15 participant NGOs signed a Memorandum of Understanding on the establishment of an Anti-Corruption NGO Coalition.



Seminar: "Formation of TI Chapter in Armenia: Prerequisites and Perspectives"

Eleven other NGOs joined the Anti-Corruption Coalition by the end of 2001. Member-organizations of the Anti-Corruption Coalition had diverse fields of interest, which included good governance; local self-government; human rights; business development; environmental protection; education; healthcare; mass media, tourism, etc.. Heads of the first 5 organizations in the below-mentioned list of Coalition members were elected as Members of the Board, and A.Kostanyan, the Organization Chairwoman, as the Chairwoman of the Coalition.

1. Center for Regional Development
2. Association of Community Finance Officers
3. Development Network
4. Civil Society Development Union
5. Foundation of Small and Medium Businesses
6. Association of Investigative Journalists
7. Association for Foreign Investment and Cooperation

8. "Zinvori Mair" Benevolent Committee of Armenia
9. Foreign Investors' Assembly
10. Society for the Defence of Drivers' Rights – Achilles
11. Association of Armenian Wine Makers
12. Armenian Export Association of Machinery and Machine Tool Industry
13. Educational Scientific Center for National Development
14. Armenian Tourism Association
15. Union for the Protection of Consumers' Rights
16. Armenian Constitutional Rights' Protection Center
17. Association of Armenian Freight Forwarders
18. Environmental Survival
19. Union for Protection of Patients' Rights – Asklepi
20. Society without Violence

The Coalition developed a 2-year anti-corruption campaign program to raise public awareness, to assist anti-corruption initiatives, to carry out public advocacy, etc.

Participation in the drafting and implementation of the RA Anticorruption Strategy Program was announced as one of priorities of the Anti-corruption NGO Coalition. Member-organizations expressed their commitment to cooperate with the group of experts working on the draft of the National Anti-corruption Strategy Program under the World Bank IDF grant.

In this respect, representatives of the Organization and other members of the Coalition had meetings with representatives of the RA Government as well as international institutions. Amongst the latter were Timothy Jones, British Ambassador to Armenia; Volker Seit, Ambassador of the Federal Republic of Germany to Armenia; Keith Simons, Head of USAID Mission in Armenia; Roy Reeve, Ambassador, Head of Organization for Security and Cooperation in Europe (OSCE) Office in Yerevan; Marcus Duerst, Counsellor for International Cooperation and Humanitarian Assistance in Armenia, Azerbaijan and Georgia; Irakli Rekhviashvili, Project Manager, Open Society Institute (OSI) Local Government and Public Service Reform Initiative, etc.

2. GRANT PROJECTS

TI Regional Workshop

On September 5-8 2001, M.Marschall, TI Regional Director and Stian Christensen, TI Secretariat Program Officer on CIS Countries, paid a visit to Armenia in order to meet the Organization's staff, representatives of the Armenian government and the international community.

A meeting held with Gagik Aslanyan, Vice-Speaker of RA National Assembly, addressed the current situation in Armenia as well as possible ways of cooperation between the Organization and the RA National Assembly. During the meeting with Vardan Oskanyan, Minister of Foreign Affairs and the member of the Anti-Corruption Committee under the RA Prime Minister, the parties agreed to further collaborate with the Organization in the elaboration and implementation of the National Anti-Corruption Program.



TI representatives' meeting with the International Joint Task Force

On September 6, in the OSCE Office in Yerevan, a meeting was held with the participation of representatives from the International Anti-Corruption Joint Task Force, TI Secretariat and the Organization, which was attended by representatives of 10 international organizations and diplomatic missions.

During the event, TI representatives briefly introduced the TI movement, structure, mission, goals and activities carried out throughout the world. Issues concerning possible cooperation between the Organization and the international community were also discussed.

During their stay in Armenia, M.Marschall and S.Christensen also participated in a TI Regional Workshop "South Caucasus Cooperation in Combating Corruption", organized by the Organization, financed by the TI Secretariat through its Swiss Grant and supported by OSCE Offices in Yerevan, Baku and Tbilisi.

The main goal of the workshop was to enhance cooperation among the stakeholders in the region to promote transparency, accountability and integrity through joint anti-corruption initiatives. Representatives of TI Chapters from Armenia, Azerbaijan, Georgia and Russia, TI Secretariat, RA Government, NGO sector and international community attended the workshop. This event outlined and discussed possible initiatives to be implemented at the regional level.

At a press conference held after the workshop, Directors of TI chapters introduced regional anti-corruption projects to be designed and implemented in the South Caucasus. M.Marschall underlined the importance of TI activities in the region and emphasized the support of the TI Secretariat for the proposed regional projects.

Promoting Transparency at Regional Customs

In September 2001, the Organization, together with the Association of Young Economists of Georgia and Entrepreneurship Development Foundation of Azerbaijan, started a Project on Promoting Transparency at Regional Customs, funded by the Eurasia Foundation South Caucasus Cooperation Program and to be completed by July 2002.

The main objectives of the Project were the evaluation of the general situation related to regional customs services, identification of major problems and development of recommendations to promote transparency and predictability at customs services in the South Caucasus.

Project activities included the organization of a series of regional and national meetings and roundtable discussions in the three participant countries. A regional meeting of Project co-directors and a joint press conference were organized in Tbilisi in October 2001. These events were followed by national press conferences held in Yerevan and Baku.

By the end of the Project, the Organization planned to publish and disseminate booklets and brochures to provide the key beneficiaries - local and foreign travellers and entrepreneurs as well as policy makers - with the required information on how to cross regional borders.

Translation and Adaptation of TI Source Book

In October 2001, the Organization, with support of TI Secretariat through its USAID SIP Grant, commenced adaptation of selected chapters of TI Source Book to comply with the Armenian context. The Project planned to share with all interested parties the worldwide experience of TI in drafting and implementing anti-corruption strategies and measures.

The adapted version of selected chapters of the Source Book would contribute to the process of elaborating the National Anti-Corruption Strategy by a group of local and foreign experts, supported by the World Bank. It would become a practical tool in drafting, implementing and monitoring national anti-corruption programs. The final version would be published and disseminated among government officials, members of the Anti-corruption NGO Coalition, other NGOs, business community, media, etc.

3. PARTICIPATION IN CONFERENCES AND WORKSHOPS

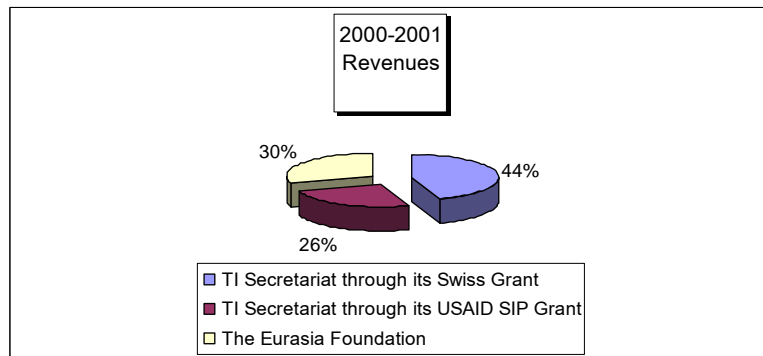
During the years 2000-2001, representatives of the Organization participated and contributed in the following conferences and seminars:

- **2000 November** - USAID/DAI National Workshop “Regional Water Resource Management”, Yerevan, Armenia;
- **2001 February** - Study tour to Bulgaria for the Armenian government officials and representatives of NGO community, funded by USAID;
- **2001 March** - Regional Seminar “Prospects for the Development of Institutions of Public Policy in the South Caucasus”, the Eurasia Foundation, Baku, Azerbaijan;
- **2001 March** - Third Preparatory Seminar for the Ninth OSCE Economic Forum “Transparency and Good Governance in Economic Matters: Institutions, Governance and Economic Performance”, Bucharest, Romania;
- **2001 May** - Regional Workshop “How to Organize In-depth Public Policy Research about Economic Integration in the South Caucasus”, OSI/Eurasia Foundation, Yerevan, Armenia;
- **2001 May** - Second Global Forum “Fighting Corruption and Safeguarding Integrity”, Hague, the Netherlands;
- **2001 May** - Ninth OSCE Economic Forum “Transparency and Good Governance in Economic Matters”, Prague, Czech Republic;
- **2001 July** - Seminar on “Strengthening the OSCE’s Role in the Realm of Environment and Security”, OSCE, Berlin, Germany;
- **2001 July** - International Conference “Anti-Corruption Strategies for Transition Economies: Common Problems, Common Solutions”, OSI, Kiev, Ukraine;
- **2001 October** - Annual TI Meeting and the Tenth International Anti-Corruption Conference, Prague, Czech Republic.

4. FINANCIAL REPORT

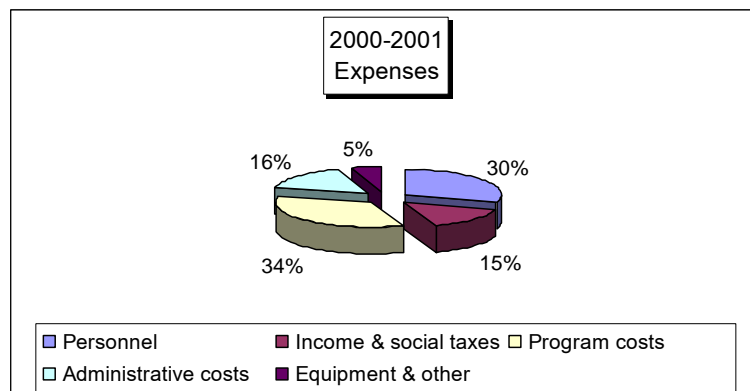
Revenues

Donor Organization	Amount ¹
TI Secretariat through its Swiss Grant	\$15,000
TI Secretariat through its USAID SIP Grant	\$8,593
The Eurasia Foundation Armenia Office	\$10,000
Total	\$33,593



Expenses

Categories	Amount ²
Personnel	\$7,597
Income and social taxes	\$3,742
Program costs	\$8,781
Administrative costs	\$4,175
Equipment and other	\$1,293
Total	\$25,588



¹ Equivalent in Armenian Drams

² Equivalent in Armenian Drams