



EUROPEAN COMMISSION

**TWINNING PROJECTS
FINAL REPORT**

Project Title: Strengthening the Enforcement of Competition and State Aid Legislation in Armenia

Partners: German Federal Ministry of Economics and Technology,
Competition Council of the Republic of Lithuania,
State Commission for the Protection of Economic Competition of the Republic of Armenia

Date: 28 March 2013

Twinning Contract number: 2010/256-533



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1. SECTION 1: PROJECT DATA

Project Number	AM/09/ENP-PCA/TP/05
Project Title:	Strengthening the Enforcement of Competition and State Aid
Twinning Partners (MS and BC):	German Federal Ministry of Economics and Technology, Competition Council of the Republic of Lithuania, State Commission for the Protection of Economic Competition of the Republic of Armenia
Duration of the project:	24 months, extended to 26 months (25/01/2011 – 28/03/2013)
MS Project leader:	Mr. Wolf-Dieter Plessing
MS Co Project leader	Mrs Jurate Soviene
BC Project leader:	Mr Artak Shaboyan, Chairman, State Commission for the Protection of Economic Competition of the Republic of Armenia (SCPEC RA RA)

Date of report: 25 June 2013

Period covered by the report: From 24 February 2011 to March 28, 2013

Established by: Mr. Sarunas Pajarskas / Resident Twinning Advisor

Submitted and approved by: Mr. Wolf-Dieter Plessing / German Project Leader

Signature of The Member State Partner Institution (BMW), Deputy Director General, Project Leader *Signature of the Beneficiary Country Partner Institution (SCPEC RA RA), SCPEC RA RA Chairman, Project Leader*

Mr Wolf-Dieter Plessing

Mr Artak Shaboyan

Signature of Junior Member State Partner Institution (CCRL), Co-Project Leader

Mrs Jurate Soviene



2. SECTION 2: CONTENT

2A EXECUTIVE SUMMARY

2A.1 *Legislative framework*

Article 43 of the EU-Armenia Partnership and Cooperation Agreement (PCA) requires from contracting parties to ensure, through a sound enforcement of State aid and Competition rules, that competition-distorting State aid and anticompetitive business practices, put in place by private as well as by state-owned enterprises, do not distort trade between the EU and Armenia. Strengthening the Armenian legislative and regulatory framework and the enforcement capacity of the SCPEC RA was expected to substantially contribute to the implementation of the state aid and competition related provisions contained in the PCA.

In the framework of the European Neighbourhood Policy (ENP), intensified by the recently established “Eastern Partnership”, which aim at developing an area of prosperity and to anchor a “ring of friends” with whom the EU can enjoy close, peaceful and fruitful relations, an Action Plan has been adopted for Armenia.

The Twinning Project was particularly relevant for Chapter 4.4.5 of the Action Plan “converge with EU principles on competition according to Title V article 43 of the PCA Agreement”. The Action Plan, *inter alia*, is listing the following requirements:

- Examine the possibility of establishing full transparency as regards state aid granted in Armenia, in particular by (i) drawing up a complete list of aid grantors, (ii) creating a national mechanism for centralising all information on State aid granted in Armenia, with a view to drawing up annual reports on the amounts, types and recipients of aid,
- Enhance the administrative capacity and the independence of the SCPEC RA, and
- Ensure adequate legal powers for the competition agency, including the right to carry out “dawn-raids”.

The project aim was to favourably contribute to all priority actions and objectives of the above-mentioned Action Plan through concrete and measurable results. SCPEC RA was expected, *inter alia*, to become able to further improve its competition and state aid legislation, to develop implementing regulations and guidelines providing support in the practical enforcement activity, receive assistance on ongoing enforcement activities, establish a state aid inventory, and be exposed to enforcement methodologies related to the application of state aid and competition rules within the EU.



2A.2 Implementation details

In order to achieve the results of the project provided for in the Twinning Contract Number AM09/ENP-PCA/TP/05, seven key components with respective activities were developed in the project:

Component 0 – General Activities (*Kick-off Workshop, Final Workshop*)

Component 1 - SCPEC RA institutional organization

Component 2 - Competition legislation and implementation rules

Component 3 - State aid legislation and implementation rules

Component 4 - Capacity development of SCPEC RA staff in legislation on competition

Component 5 - Capacity development of SCPEC RA staff in legislation on State aid control

Component 6 - Awareness on State aids and competition legislation among related institutions

Component 7 - IT infrastructure

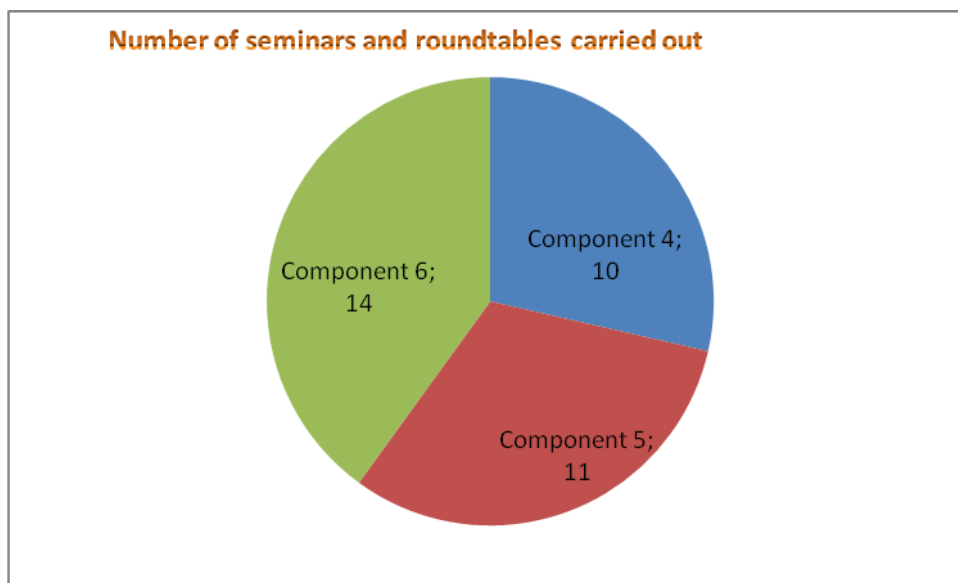
To summarize, some key information and figures related to the project are presented below:

- Total budget: € 1.1 million
- Partner Institutions: German Federal Ministry of Economics and Technology, Competition Council of the Republic of Lithuania, State Commission for the Protection of Economic Competition of the Republic of Armenia
- Duration: 24 months, extended to 26 months (25/01/2011 – 28/03/2013)
- Kick-off Meeting: 23 February 2011
- Final Meeting and the presentation of the Project results: 13th March 2013
- Missions carried out: 86

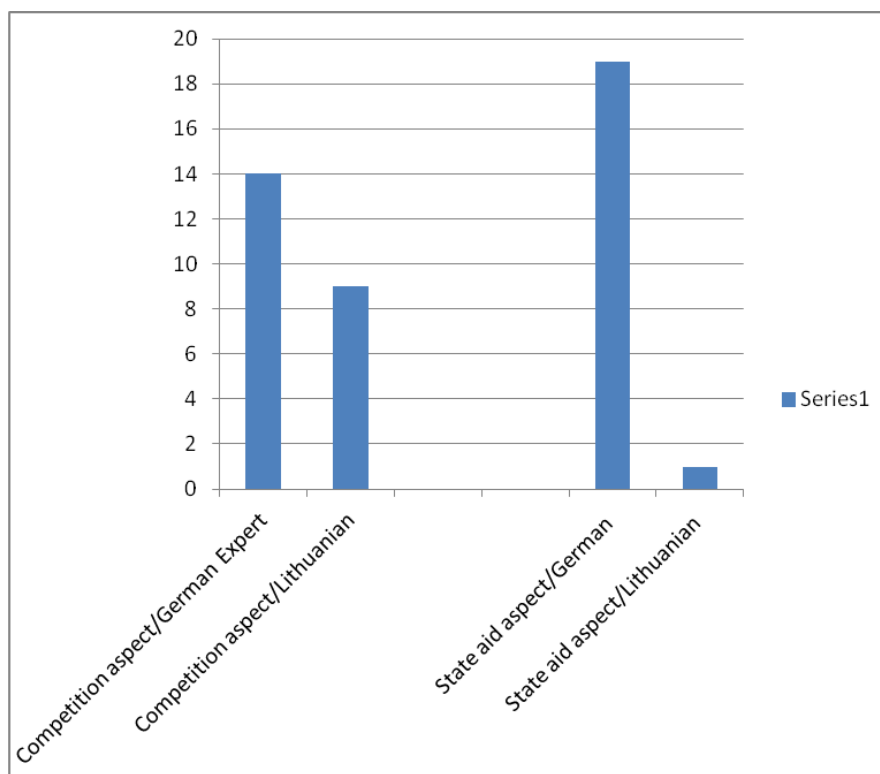
- Study visits
 - Study visits carried out in Germany: 4
 - Study visits carried out in Lithuania: 1
 - Study visits carried out in Belgium: 1
 - Study visits carried out in France: 1



- Number of seminars and roundtables carried out: 35, distributed per each Component: Component 4 (capacity development in competition) – 10; Component 5 (capacity development in state aid control) – 11, Component 6 (awareness raising) -14 (see the distribution of the events per component in the chart below);

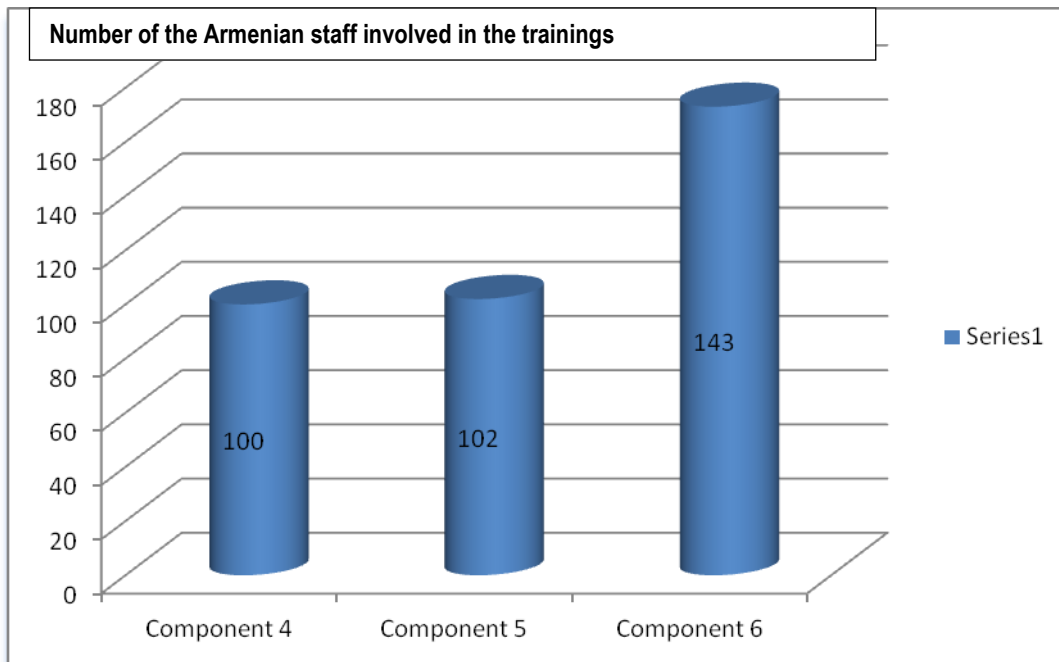


- Experts involved: 14 Germans and 9 Lithuanians (competition aspect); 19 Germans and 1 Lithuanian (state aid aspect) (see the distribution of the experts in the chart below);





- Number of the Armenian staff involved in the trainings: 345, distributed per each Component: Component 4 (capacity development in competition) – 100; Component 5 (capacity development in state aid control) – 102, Component 6 (awareness raising) -143 (see the distribution of the staff per components in the chart below);



- Budget spent in project implementation: 979.173,46 EUR (89%).
- Degree of achievement of Project's "mandatory results": 96.6% (by the number of activities).

The Twinning Project was extended by means of a formal amendment to the Twinning contract from 24 to 26 months to make it possible to advance the achievement of some of mandatory results, in particular, on state aid Inventory, which has been aggravated by the delay in passing by the Armenian Parliament draft state aid law.



2B BACKGROUND

2B.1 Starting Point

The parties to the Twinning Contract No AM09/ENP-PCA/TP/05 were the Federal Ministry of Economics and Technology, BMWi, Germany, and the Delegation of the European Union to Armenia.

On 12 May 2010, the selection and evaluation meetings for the Twinning project “Strengthening the Enforcement of Competition and State Aid Legislation in Armenia” took place in the premises of the EU Delegation to Armenia. Two joint proposals were presented: by Germany – Lithuania and by Italy – UK. The German – Lithuanian offer was chosen.

An EU grant of 1 100 000 € was allocated to the project.

The Project was initiated on 25th January 2011 and was to last for 24 months, but was extended by two extra months to end on 28th March 2013. The final date for executing payments and contracting related to the program was 28th March 2013.

Due to the fact that the project concerns state administration, the instrument to implement it is the Twinning Programme. The idea of this Twinning project was the assistance and training conducted by experts from EU member states, supported by the Resident Twinning Advisor (RTA) in the Armenian State Commission for the Protection of Economic Competition (SCPEC RA) in order to strengthen the enforcement of improved competition and state aid legislation and policy in Armenia, to enhance the administrative capacity of the SCPEC RA.

For the Member State Partner - Germany, the Twinning Contract was signed by Mr. Hartmut Röben, Head of Division “Development of Administration, Consultancy, Twinning” in the Federal Ministry of Economics and Technology (BMWi). For the Contracting Authority, the Twinning Contract was signed by Mr. Raul De Luzenberger, Head of Delegation in the Delegation of the European Union in Armenia. For the Final recipient of the action, Mr. Artak Shaboyan, Chairman, State Commission for the Protection of Economic Competition of the Republic of Armenia (SCPEC RA) put his signature.

The implementation of the Twinning Contract, relevant activities and work of experts were performed in the Beneficiary country, Armenia. Mr Artak Shaboyan, Chairman, State Commission for Protection of Economic Competition of the Republic of Armenia (SCPEC RA) was appointed the Beneficiary Country Project Leader. He was responsible for the implementation of the Work Plan from BC side, assisting German and Lithuanian experts in contacting other Armenian institutions



and organizations engaged in the project, every-day cooperation with the RTA in the planning of trainings, seminars, roundtables and other activities in Armenia.

Mr Wolf-Dieter Plessing, Deputy Director General for 'European Policy', Head of the Directorate 'European policy coordination, EU structural policy, EU law, State aid control', Germany Federal Ministry of Economics and Technology (BMW) was appointed as MS Project Leader.

Mr Šarunas Pajarskas, Head of the Division of Dominant Undertakings and Mergers, Competition Council of the Republic of Lithuania was appointed as Junior MS Project Leader (Co-PL).

Ms Gunda Schumann, BVVG (affiliate of BvS/THA), Germany, was appointed as Resident Twinning Advisor (RTA) and therefore became responsible for the accomplishment of the project. She moved to Armenia and was expected to cooperate 24 months with the SCPEC RA in coordinating the project, collecting experts' reports and assisting the Armenian side on an every-day basis. However, after one year on the job, Ms Gunda Schumann resigned, and as of 29 January 2012, by Addendum I, Mr Šarunas Pajarskas was appointed as RTA and Mrs Jurate Soviene, Member of the Competition Council was appointed as Junior MS Project Leader (Co-PL).



2B.2 Objectives

Overall objective

To contribute to the promotion of the competitiveness of the Armenian economy and to the development of a fully functioning market economy in Armenia, to the advantage of consumers and society as a whole. The development of competitive markets, free from competition-distorting state aid and from anti-competitive business practices, will contribute to the delivery of goods and services at affordable prices and of high quality.

Project purpose

The purpose of the project was to strengthen the enforcement of Competition Law and policy, as well as state aid in Armenia and ensure further approximation to the “Acquis Communautaire” by Armenia in the competition law and policy and state aid area through the adoption of implementing regulations and enforcement guidelines in line with those of the EU and through the enhancement of the administrative capacity of the State Commission for the Protection of Economic Competition of the Republic of Armenia, (hereinafter, SCPEC RA) the institution charged with the implementation of competition law and policy and state aid law in Armenia.

Specific Objectives (by Components):

Component 0. General Activities

Activity 0.1. Kick-off Workshop

Start-up of the project activities, making all stakeholders aware of the project, its goals and proceedings, as well as gaining wide support for the project and the project team.

Activity 0.2. Final Workshop

Presentation of the main results achieved during the Twinning.

Component 1. SCPEC RA institutional organization

Activity: 1.1. Assessment report on institutional framework

Joint review, analysis and assessment of the SCPEC RA's institutional framework (organizational structure and applied internal procedures), production of a joint report with recommendations for enhancing the efficiency of the organizational structure as well as of procedures.

Component 2. Competition legislation and implementation rules

Activity 2.1. Review of the Law on protection of Competition

Joint review of the existing competition legislation, analysis of the gaps, preparation of a report highlighting recommendations for amendments according to the EU standards.

Activity 2.2. Review of current bylaws (implementing regulations and enforcement guidelines) on competition

Initiation of a strategic legislative process, joint drafting of an implementation-oriented action plan and schedule, support to the preparation of any necessary bylaws.

Activity 2.3. Proposal of new legislation and/or amendments to existing competition law and/or bylaws (if necessary)

Joint preparation and drafting of new legislation / amendments / bylaws.



Component 3. State aid legislation and implementation rules

Activity 3.1. Review of the current Armenian State aid legislation and proposal of new legislation or amendment to existing State aid legislation

Joint review of the current state aid legislation, analysis of the gaps, a report highlighting recommendations for new legislation / amendments according to the EU standards.

Activity 3.2. Adoption of by-laws (of implementing regulations and enforcement guidelines) on State aid control

Initiation of a legislative process, joint preparation and drafting of by-laws

Activity 3.3. Establishment of a national State Aid Inventory

Registering all existing aid schemes in the form of a digitalized data base, using best European practice so that Armenian partners can chose a system that suit their needs best.

Component 4. Capacity development of SCPEC RA staff in legislation on competition

Activity 4.1. Production of a report reviewing the recent enforcement record of the SCPEC RA

A detailed report on possible shortcomings in the economic and legal assessment of competition proceedings and decisions, indicating concrete further steps.

Activity 4.2. Seminar on procedures

Seminars on best practice in order to provide Armenian partners with a better understanding of procedural mechanisms within Competition Authorities, incorporating case-studies and internal round tables.

Activity 4.3. Seminar on the conduct of efficient “dawn-raids”

Familiarization of the Armenian staff with the “dawn-raids” practice.

Activity 4.4. Seminars on the economic and legal aspects of the treatment of concentrations, vertical restraints, abuse of dominant position

Joint discussions and training through analysis of land mark cases.

Activity 4.5. On-the-job training with respect to the most relevant on-going competition cases dealt with by the SCPEC RA

Ad-hoc support and training to support SCPEC RA staff in handling ongoing competition cases

Activity 4.6. Support for dealing with regulated sectors: telecommunications, energy supply, aviation transport and in financial services

Roundtables on experiences of Professionals from specific sectors, such as telecommunications, energy supply, aviation, transport and financial services from MS.

Activity 4.7. Two five-day study tours by 5 SCPEC RA officials on enforcement practices by MSCA

The five-day study tour to include meetings with all the main Competition Authority’s divisions and departments aimed at getting an in-depth knowledge of the enforcement practices by SCPEC RA officials/staff.

Activity 4.8. Production of a Competition Impact Assessment Report

In-depth knowledge on main laws and regulations having an impact on market competition in particular areas chosen

Activity 4.9. Three day policy study tour by 2 SCPEC RA decision makers to Bundeskartellamt – German Federal Cartel Office

Gaining an optimal insight view into policy processes within the partner institution and getting familiar with up-to-date European competition and state aid policy.

Activity 4.10. Participation of SCPEC RA staff in international conferences on competition

Armenian partners Taking advantage by the Armenian partners of the professional exchange on European level and establishing professional ties with other European competition authorities.



Component 5. Capacity development of SCPEC RA staff in legislation on State aid control

Activity 5.1 Seminars on main criteria constituting State aid

Gaining profound knowledge of the main criteria constituting State aid according to EU law.

Activity 5.2. On-the-job-training in regard to privatization cases involving State aid

Hands-on on-the-job training on privatization issues.

Activity 5.3. Seminars on the main categories of vertical and horizontal State aid for SCPEC RA officials

Communication and strengthening the new systems and reforms on state aid control on the regional level.

Activity 5.4. Seminars on State aid inventory

Learning how to use and take advantage of the “State Aid Inventory Pool”.

Activity 5.5. Two five-day study tours by 4 SCPEC RA officials at the MS institutions dealing with State Aid

Getting an insight view of MS up-to-date best practice in State aid control.

Activity 5.6. Three-day study tour by 2 SCPEC RA decision makers to DG Competition, Brussels

Getting acquainted with EU State aid policy that will enable the SCPEC RA decision makers to expedite State aid legislation in Armenia

Component 6. Awareness on State aids and competition legislation among related institutions

Activity 6.1. Seminars for judges

Provision of judges with comprehensive information about new legal developments in the field of competition as well as enabling them to elaborate consistent applications of EU competition provisions in compliance with EU and MS practice.

Activity 6.2. Seminars on awareness raising and the development of formal and informal cooperation mechanisms between SCPEC RA and line ministries involved in granting State aid

Ensuring that all relevant stakeholders gain an in-depth awareness of the elaborated reforms, providing Armenian project partners with professional knowledge of different kinds of cooperation mechanisms.

Activity 6.3. Roundtables with specific target groups, e.g. journalists, State bodies, business community and NGO's

Supporting Armenian partners in the implementation of new cooperation mechanisms and raising awareness among public.

Activity 6.4. Study tour on Public relations

Allowing Armenian partners to get familiarized with EU best practices, i.e. EU requirements and approaches for creating competition culture.

Component 7. IT infrastructure

Activity 7.1. Technical diagnosis of the existing database(s)/website

Giving support to a technical diagnosis of the existing database(s) and offer recommendations for upgrading and improvement.



The Mandatory Results:

- SCPEC RA institutional organisation strengthened
- Competition legislation and implementation rules improved
- State aid legislation and implementation rules improved
- Skills of SCPEC RA staff in competition legislation and its implementation developed
- Skills of SCPEC RA staff in State aid control developed
- Increased awareness on State aids and competition legislation among related institutions
- IT infrastructure improved.



2C Implementation Process

2C.1 Developments outside the project

The most important development regarding the SCPEC RA in Armenia during project implementation was the process of adoption of the Law on State Aid Control and the Law on Competition Protection. This process took place in 2011 and 2012, and it was not completed before this twinning project has ended. (refer to ACHIEVEMENT OF MANDATORY RESULTS)

2C.2 Project developments

The Project was organised and structured in the following parts and Components:

Component 0: General activities

Component 1: Institutional Framework of SCPEC RA

Component 2: Competition Legislation & Implementation Rules

Component 3: State Aid Legislation and Implementation Rules

Component 4: Capacity development of SCPEC RA staff in legislation on competition

Component 5: Capacity development of SCPEC RA staff in legislation on State aid control

Component 6: Awareness on State aids and competition legislation among related institutions

Component 7: IT infrastructure

2C.3 Twinning Management

The Twinning Management was executed between 25th of January 2011 and 28th March 2013. The objective of the Twinning Management is to manage and adapt the Twinning Project in Competition and State Aid to the different circumstances, which have their occurrence in the life of the Project, and get its successful implementation.

Referring to the general Twinning rules the instrument of Steering Committee has been successfully implemented and integrated on a quarterly basis into the workflow of all involved stakeholders.

The following steerings have been performed:

- ❖ General and ongoing Project management activities.
- ❖ 1st Steering Committee Meeting – 23rd February 2011
- ❖ 2nd Steering Committee Meeting – 04th May 2011
- ❖ 3rd Steering Committee Meeting - 26th September 2011
- ❖ 4th Steering Committee Meeting – 21st November 2011
- ❖ 5th Steering Committee Meeting – 21st February 2012
- ❖ 6th Steering Committee Meeting – 23rd May 2012
- ❖ 7th Steering Committee Meeting – 12th September 2012
- ❖ 8th Steering Committee Meeting – 21st November 2012
- ❖ 9th Steering Committee Meeting – 14th March 2013
- Production of all monitoring reports.



2C.4 Component 0: General Activities

Component 0 was performed between 23 January 2011 and 28 March 2013.

The objective of this Component 0 was to start up the project activities, to make all stakeholders aware of the project, its goals and proceedings, as well as to gain wide support for the project and the project team; the objective is also to present the main results achieved during the Twinning at the Final Conference in order to assure the sustainability of the project.

The following activities have been performed:

Activity 0.1. Kick-off Workshop (23 February, 2011)

36 participants from the EU Member States, SCPEC RA, Embassies, EU Delegation, Line Ministries, NGOs, our Twinning Team and other Twinning Teams.

Activity 0.2. Final Conference (13 March, 2013)

70 participants from the EU Member States, SCPEC RA, Embassies, EU Delegation, Line Ministries, the World Bank, GIZ, UNIDO, our Twinning Team and other Twinning teams.

2C.5 Component 1: SCPEC RA institutional organization

Component 1 was performed between 14 March 2011 and 27 May 2011. The objective of this component was to jointly review, analyse and assess the SCPEC RA's institutional framework (organizational structure and applied internal procedures).

Under this heading the following single activity has been performed:

Activity 1.1: Assessment report on institutional framework

Comprehensive report on the review of the institutional set-up of the Armenian competition authority (SCPEC RA RA). Recommendations were proposed to amend the SCPEC RA RA organizational structure.

2C.6 Component 2: Competition legislation and implementation rules

Component 2 was performed between 02 May, 2011 and 02 December 2011. The objective of this component was to jointly review the existing competition legislation, prepare a structured gap analysis, elaborate a report highlighting recommendations for amendments according to EU standards; give support to the preparation of any necessary bylaws; jointly prepare and draft the new legislation / amendments / bylaws.

The following activities have been performed:

Activity 2.1: Review of the Law on protection of Competition

Existing law was reviewed, detailed assessment report was finalized ("Synopsis").

Activity 2.2: Review of current bylaws (implementing regulations and enforcement guidelines) on competition

Existing bylaws were reviewed, assessed, report with proposals was finalized.

Activity 2.3: Proposal of new legislation and/or amendments to existing competition law and/or bylaws (if necessary)

Draft Amendments to the *Law on the Protection of Economic Competition* were prepared.



2C.7 Component 3: State Aid Legislation and Implementation Rules

Component 3 was performed between September 19, 2011 and 18 October, 2012. The objective of this component was to review the current Armenian State aid legislation and propose new legislation or amendment to existing State aid legislation.

The following activities have been performed:

Activity 3.1. Review of the current Armenian State aid legislation and proposal of new legislation or amendment to existing State aid legislation

Draft *Law on State Aid Control* was prepared.

Activity 3.2. Adoption of by-laws (of implementing regulations and enforcement guidelines) on State aid control

Four draft bylaws were prepared (on procedures, on general rules on state aid, on *de minimis* aid, on block-exempted aid)

Activity 3.3. Establishment of a national State Aid Inventory

A State Aid Inventory needs a legal basis. Hence, it can only be established once the proposed Armenian legislation comes into force. Nevertheless a State Aid Questionnaire for collecting information from state and local authorities on state aid actually granted in Armenia was prepared; methodical principles for assessing state aid measures were developed as well. This will help to further develop transparency in the state aid field and to establish a formal State Aid Inventory once the legal requirements are given.

2C.8 Component 4: Capacity development of SCPEC RA staff in legislation on competition

This Component 4 was performed between July 12, 2011 and 15 March 2013. The objective of this component was the increase of enforcement capabilities of the SCPEC RA members and staff.

The following activities have been performed:

Activity 4.1. Production of a report reviewing the recent enforcement record of the SCPEC RA

Comprehensive report on the *Review of the institutional set-up* of the Armenian competition authority (SCPEC RA RA) was prepared, with *recommendations proposed to amend the SCPEC RA RA organizational structure*.

Activity 4.2. Seminar on procedures

Two seminars were delivered on April 3-4 (23 participants: 18 SCPEC RA) and June 5-6, 2012 (21 participants: 16 SCPEC RA). All in all, 24 SCPEC RA staff took part in the seminars

Activity 4.3. Seminar on the conduct of efficient “dawn-raids”

Two seminars were delivered on April 11-12, 2012 (25 participants: 20 SCPEC RA) and June 12-13, 2012 (19 participants: 14 SCPEC RA). All in all, 34 SCPEC RA staff took part in the seminars.

Activity 4.4. Seminars on the economic and legal aspects of the treatment of concentrations, vertical restraints, abuse of dominant position

Three seminars were delivered on January 17-18, 2012 (35 participants: 18-SCPEC RA; 8 – State bodies, 2 – EU Delegation; 1 - UNIDO), March 6-7, 2012 (26 participants: 11-SCPEC RA, 7-State body representatives; 2 Public organizations) and October 9-10, 2012 (20 participants: 9-SCPEC RA, 5-State bodies).

All in all, 38 –SCPEC RA staff, 16 – State bodies and 2 public organizations took part).



Activity 4.5. On-the-job training with respect to the most relevant on-going competition cases dealt with by the SCPEC RA

16 on-the-job training missions were held overall.

Activity 4.6. Support for dealing with regulated sectors: telecommunications, energy supply, aviation transport and in financial services

Three Roundtables were organized on February 15, 2012 (30 participants: Aviation – 3, Ministries (MoE, MoF) – 4, Financial sector (Bank and Insurance) – 8, SCPEC RA – 9); May 8, 2012 (23 participants: State and Non-Governmental bodies – 8, SCPEC RA – 11) and July 4, 2012 (16 participants; State bodies –5, SCPEC RA – 8).

All in all, 28 SCPEC RA staff; State and Regulatory bodies and non-governmental organizations – 20 took part.

Activity 4.7. Two five-day study tours by 5 SCPEC RA officials on enforcement practices by MSCA

Two five-day study tours were organized for 5 SCPEC RA officials to Germany on July 18-22, 2011 (5 SCPEC RA Staff), and to Lithuania on November 14-18, 2011 (5 SCPEC RA staff).

Activity 4.8. Production of a Competition Impact Assessment Report

The Report *Competition Impact Assessment Report in the Airway Sector*, based on the *OECD Competition Assessment Toolkit* (2011), was produced

Activity 4.9. Three day policy study tour by 2 SCPEC RA decision makers to Bundeskartellamt – German Federal Cartel Office

Three-day policy study tour for 3 SCPEC RA decision makers and one journalist participated in three-day policy study tour to Bundeskartellamt and the Federal Ministry of Economy and Technology on November 26-28, 2012 (Chairman of SCPEC RA, Member of SCPEC RA, Press Secretary of SCPEC RA and one journalist).

Activity 4.10. Participation of SCPEC RA staff in international conferences on competition

Two SCPEC RA staff participated in international conference in Paris, France, on February 16-19, 2011 (2 SCPEC RA staff);

Two SCPEC RA staff participated in international conference in Hague, Netherlands on May 17-20, 2011 (2 SCPEC RA staff);

Two SCPEC RA staff participated in UNCTAD Conference in Switzerland on July 09-13, 2012 (2 SCPEC RA staff).

2C.9 Component 5: Capacity development of SCPEC RA staff in legislation on State aid control

This Component 5 was performed between July 27, 2011 and 14.02.2013. The objective of this Component was through organization of seminars gaining profound knowledge of the main criteria constituting State aid according to EU law for the Armenian partners.

The following activities have been performed:

Activity 5.1. Seminars on main criteria constituting State aid

Three seminars were held:

May 5-6, 2011; number of participants: 20 (state bodies – 4, SCPEC RA -10, Twinning – 6);

July 26-29, 2011, number of participants: 93 (participants of Marzes –53, SCPEC RA – 25, Twinning - 15);

December 6-7, 2011, number of participants: 26 (state bodies – 9, SCPEC RA – 9, EU – 2, Twinning – 5, UNIDO -1).



Activity 5.2. On-the-job-training in regard to privatization cases involving State aid

The Activity has been discontinued due to lack of privatization cases in Armenia and state aid enforcement (approved by Addendum II)

Activity 5.3. Seminars on the main categories of vertical and horizontal State aid for SCPEC RA officials

Four 2-day seminars were organized:

1. July 24-25, 2012 (number of participants: total 54 participants (Vanadzor – 26 (17 – Local Self Government bodies of Vanadzor, 4 – SCPEC RA and 5 - Twinning) and Ashtarak – 28 (21 – Local Self-Government bodies of Ashtarak, 2 – SCPEC RA and 5 - Twinning);
2. September 11-12, 2012 (number of participants: 22 (state authorities -10, SCPEC RA – 6 and Twinning – 6)
3. November 21-22, 2012 (number of participants: 16 (state and Marz authorities – 8, SCPEC RA – 8) and Twinning – 2);
4. February 13-14, 2013 (number of participants: state authorities, municipalities – 8, SCPEC RA – 56, Twinning -5)

Activity 5.4. Seminars on State aid inventory

Seminar on November 8, 2012; number of participants: 16 (SCPEC RA –11 and Twinning –5)

Activity 5.5. Two five-day study tours by 4 SCPEC RA officials at the MS institutions dealing with State Aid

Two study tours to Germany's Federal Ministry of Economics and Technology took place:

03-08.10.2011 (5 SCPEC RA staff)

25-28.06.2012 (5 SCPEC RA staff)

Activity 5.6. Three-day study tour by 2 SCPEC RA decision makers to DG Competition, Brussels

Study tour took place on September 25-27, 2012 (by 2 SCPEC RA decision makers)

2C.10 Component 6: Awareness on State aid and competition legislation among related institutions

This Component 6 was performed between April 19, 2011 and March 02, 2013. The objective of this Component was to organise seminars aiming at raising awareness among stakeholders with comprehensive information about new legal developments in the field of competition and state aid.

The following activities have been performed:

Activity 6.1. Seminars for judges

Two seminars took place:

5. September 27-28, 2011 (Number of participants: 43 (Judges – 11; SCPEC RA – 17; EU Delegation – 1; Mass Media – 10 (for 1 hour); Twinning - 4);
6. February 28-29, 2012 (Number of participants: 23 (Judges – 17; SCPEC RA – 2; Twinning – 4).

Activity 6.2. Seminars on awareness raising and the development of formal and informal cooperation mechanisms between SCPEC RA and line ministries involved in granting State aid

Three seminars took place:

1. May 3-4, 2012 (number of participants: 32 (state bodies and Yerevan Municipality - 9, SCPEC RA - 17; UNIDO - 1 and 5 Twinning).



2. July 10-11, 2012 (number of participants: 25 (state bodies and Yerevan Municipality - 9, SCPEC RA – 11, and Twinning - 5).
3. November 14-15, 2012 (number of participants: 23 (state bodies and Yerevan Municipality - 12, SCPEC RA – 6, and Twinning - 5).

Activity 6.3. Roundtables with specific target groups, e.g. journalists, State bodies, business community and NGO's

Eight roundtable discussions took place:

1. April 20, 2011 (number of participants 46: State bodies – 10; SCPEC RA – 21; GIZ – 3, Journalists 12)
2. June 17, 2011; number of participants: 39 (state bodies – 2; SCPEC RA – 12; journalists – 18, UNIDO - 1 and Twinning – 6);
3. November 26, 2011; number of participants: 39 (journalists – 17; EU Delegation 1; SCPEC RA – 14; UNIDO – 1; WB – 1 and Twinning - 5);
4. March 23, 2012; number of participants: 26 (business community and Ministries – 8; SCPEC RA - 12; UNIDO – 1 and Twinning - 5);
5. May 26, 2012; number of participants: 33 (journalists and other media staff – 19; SCPEC RA – 9; Twinning - 5);
6. October 17, 2012; number of participants: 19 (Ministries and GoA – 4; SCPEC RA – 9; GIZ – 1; and Twinning - 5);
7. January 18, 2013; number of participants: 16 (Ministries and GoA – 2; businesses – 5; SCPEC RA – 4; Twinning - 5);
8. March 2, 2013; number of participants: 39 (journalists – 21, businesses - 4, SCPEC RA – 8, EU Delegation – 1, Twinning – 5).

Activity 6.4. Study tour on Public relations

On 24-25.10.2011, SCPEC RA Chairman and Press secretary participated in 2-day Study tour on public relations in Paris, France.

2C.11 Component 7: IT infrastructure

This Component was performed between March 8, 2011 and 19 October 2012. The objective of this component was technical diagnosis of the existing database(s) / website of the SCPEC RA and offering recommendations for upgrading and improvement.

The following activities have been performed:

Activity 7.1. Technical diagnosis of the existing database(s)/website

Report on the technical status of SCPEC RA RA database (including an assessment of existing hardware and software).

The report was further developed into the IT Concept Paper and Technical Specifications document.

These documents served as grounds for further assistance from another donor – the USAID which provided relevant equipment (PCs and servers, software), developed an automatic record management system within SCPEC RA RA.



2C.12 Project visibility

Information on the steps taken to ensure the visibility of EU financing:

In the development of this Twinning project on Competition and State Aid in Armenia the “Communication and Visibility Manual for EU External Relations 2010” (hereinafter referred to as “Manual”) has been followed as shown in the following paragraphs:

Communication and Visibility Plans (Paragraph 2.3 of the Manual):

Requirement: *Contractors, implementing partners should produce a communication and visibility plan which will have to be agreed with the EU Delegation staff managing the action, in close coordination with the EU Delegation staff responsible for communication activities*

Implementation: Communication and visibility plans in accordance with the schedule of activities covering one or two quarters at a time were prepared in agreement with the EU Delegation staff responsible for the communication activities. The template provided in the “Communication and Visibility Manual for EU External Relations” has been used.

Press Releases (Paragraph 4.2.1 of the Manual):

Requirement: *As a general, rule, a press release should be issued at the start of all actions. ...Where the implementing partner launches the press release in the context of the action, it should liaise with the Press and information officer at the EU Delegation before sending it out. ...The press release should incorporate the EU flag, mention that funding was provided by the EU and mention the amount of the EU funding in euro.*

Implementation: 18 press releases have been issued for all public events scheduled in the Twinning Work Plan in compliance with the requirements set in the Manual. The press releases were issued after their drafts had been cleared by the EU Delegation to Armenia.

Leaflets, Brochures and newsletter (paragraph 4.2.4 of the Manual):

Requirement: *All leaflets and brochures should incorporate the basic elements of the EU visual identity; i.e. the EU flag, and the disclaimer, ... definition of the EU... and must clearly identify action as being part of an EU-funded action. Copies, including electronic copies of publications should be made available to the Commission (in this case – EU Delegation to Armenia).*

Implementation: Five types of publications (Project Launch Leaflet, Project Progress Leaflet, Brochure on EU Competition Rules, Brochure on EU State Aid Rules, Project Accomplishment Booklet) have been issued in harmony with the rules set in the Manual. These publications have been provided to the participants of the public events, seminars, kick-off and final conferences, to the media, as well as to the EU Delegation to Armenia.

Besides, a contribution to the EU Program Administration office (PAO) Quarterly Newspaper in the form of two articles on the Twinning Project on Competition and State aid has been made.

Websites (4.2.5 of the Manual):

Requirement: *Websites could be simply made available via the website of the EU Delegation or the partner’s website.*

Implementation: The web presence of the Twinning project was ensured through the official web site of the BC Partner available at www.competition.am. The section on the EU TWINNING incorporates relevant information on Project Components, Accomplished and Upcoming Events. The website administration was carried out by the Twinning Team (content development) and the RTA Counterpart team (uploading the updated content onto the website). Requirements set in the Manual as regards the web site have been followed.



Display panels (4.2.6 of the Manual):



Requirement: Contractors, implementing partners or international organizations should also produce a display panel with which to promote their EU-funded action at an exhibition or event, or at the entrance of a training centre or office reception.

Implementation: A display panel was prepared and used during the seminars and round-table discussions organized within Component 4, 5 and 6 of the Twinning Workplan.

Banners (4.2.8 of the Manual):

Requirement: specified in the



Plastic or textile banners ...should be produced when communication strategy of an action.

prepared at the lobby, the public events.

Implementation: Two identical banners were launch of the Project. One was installed at SCPEC RA second one at the Twinning office. It was also used in

Promotional items (4.2.10 of the Manual):

Requirement: Promotional items should be distributed when specified in the communication strategy of an action. Before taking any decision on the production of such items, the Press and Information officer at the EU Delegation should be consulted. The promotional items produced should be clearly identified with the EU flag, and if possible carry the words “European Union” and key messages of key phrases.

Implementation: Folders, Agendas, pens, notepads distributed to participants of actions implemented within the scope of Component 4, 5, and 6 were prepared in compliance with this requirement. The EU logo, and where possible, the Twinning logo were used.

The EU Logo:

Requirement: The EU flag constitutes the main element of the European visual identity. For this reason, specific guidelines on geometrical description, colours and background have been drawn up to ensure its accurate use and reproduction.



These rules about the reproduction of the “EU logo” have been followed where it was necessary to introduce it.



2D ACHIEVEMENT OF MANDATORY RESULTS

The **main task of the project** was the strengthening of the enforcement of competition and state aid legislation in Armenia. In this regard the State Commission for the Protection of Economic Competition of Armenia involved in the implementation has participated actively in all activities conducted in this Twinning project.

During the first year of the project SCPEC RA RA has amended the Statute of SCPEC RA RA staff by establishing new units and re-changing the activities of other units, e.g. *Monitoring and Internal Audit divisions* were established, *Analysis and competition assessment department*, *Methodology and Program Elaboration and Legal department* were renamed with new additional functions. Besides the main amendments made in the Statute of the SCPEC RA staff in 2011, there were also other amendments in 2012 and 2013 in the Statutes of the Commission and the Commission staff.

Related to the recommendations of experts most of them were fulfilled, particularly:

- **Human resources:** the specialists who were out of administrative hierarchy of the SCPEC RA RA were integrated into the overall structure of the SCPEC RA RA under the departments.
- **Budget:** the budget for proper functioning of the SCPEC RA RA is still limited and the chances to increase the budget are not high enough.
- **Internal organization within the departments and task assignment:** during the Twinning project the SCPEC RA RA staff, including case handlers, increase their capacities, knowledge and skills for investigating the cases, gathering information and handling their daily responsibilities, as well as enhancing their self-confidence.
- **Competition advocacy:** during the Twinning project much advocacy was carried out. Besides, the SCPEC RA RA has been cooperating with other donors to continue advocacy campaign.
- **Analysis of current and proposal for a new organizational structure:** a new statute and chart were established. See the clarification above.

Some functional changes recommended for different departments have been accepted and already fulfilled, a few have not because they are not applicable at the current stage, e.g. establishment of a separate state aid department. In general it can be stated that the main principles have been fulfilled during the administrative framework changes.



The following mandatory results were achieved:

1. SCPEC RA institutional organisation strengthened.

Organizational structure, workflow among the SCPEC RA members and staff, ways and means for improving efficiency and effective administrative management were analysed, and an assessment report, after discussions with the SCPEC RA, was finalized.

A comprehensive report on the review of the institutional set-up of the Armenian competition authority (SCPEC RA) proposed recommendations to be undertaken to strengthen internal procedures and organizational set-up of the SCPEC RA. A number of proposals have been taken on board by the SCPEC RA.

2. Competition legislation and implementation rules improved.

The existing Law on Protection of Economic Competition of Armenia, as well as several existing bylaws on competition were assessed; proposals for improvement were formulated, based on the competition rules in the EU and its member states.

The draft *Amendments to the RA Competition Law*, thoroughly discussed with the SCPEC RA, was put into the Armenian legal framework and was forwarded to the RA Government for consideration and submission to the National Assembly.

3. State aid legislation and implementation rules improved.

The draft Law on State Aid Control, developed by the Twinning experts in line with the EU principles of state aid control, was forwarded to the Government of Armenia for consideration and submission to the National Assembly. The implementation rules (4 bylaws) were also drafted.

However, the draft law was neither adopted by the Government nor presented to the Parliament. The same is true for the four bylaws drafted by the Twinning experts. The State Aid Inventory, the creation of which is directly linked with the adoption of the Law on State Aid Control, could not be established. However, this task is partially fulfilled as the background information and methodical scheme for developing and expanding the inventory, as well as the state aid questionnaire was created by the Twinning experts. This seems to be a good interim solution well adapted to the present conditions in the Republic of Armenia.

4. Skills of SCPEC RA staff in competition legislation and its implementation developed.

Skills of SCPEC RA RA staff in competition legislation and its implementation have improved, which is proven, among other indicators, by the number of participants in the seminars organized by the Twinning project. In total, 134 SCPEC RA RA participants attended seminars and



roundtables within Component 4 in 2011-2013 out of 184 attendees overall. Over the two years (2011-2013), 37 events (seminars, roundtables, on-the-job training, report writing missions (Report on recent Enforcement Record, Report on Competition Impact assessment in Aviation sector); study tours to Germany and Lithuania, participation in international conferences) took place. They all were connected to the improvement and developing of the skills of the SCPEC RA staff. The progress can be seen from the increased activeness in the seminars, etc., more focused questions, more professional discussions.

5. Skills of SCPEC RA staff in State aid control developed.

Skills of SCPEC RA staff in State aid control have improved, which is proven, among other indicators, by the number of participants in the seminars organized by the Twinning. In total, 80 SCPEC RA participants attended seminars within Component 5 in 2011-2013, out of 224 attendees overall. Over the two years (2011-2013), 15 events (seminars, 2 study tours to Germany and 1 to DG Competition) took place: 12 seminars, 3 study tours. The progress can be seen from the increased activeness in the seminars, etc., more focused questions, more professional discussions.

6. Increased awareness on State aids and competition legislation among related institutions.

Awareness on state aid and competition legislation among stakeholders has increased, which is proven, among other indicators, by the number of participants in the seminars and roundtables organized by the Twinning. In total, 142 SCPEC RA participants attended seminars within Component 6 in 2011-2013 out of 374 attendees overall. 19 events overall in 2011-2013 took place: Seminars for judges on competition; Roundtables for businesses and NGOs on competition and state aid; seminars for line ministries and other state institutions on state aid; roundtables for journalists on competition.

7. IT infrastructure improved.

The report on the technical status of the SCPEC RA RA database (including an assessment of existing hardware and software) was prepared, and it was further developed into the IT Concept Paper and Technical Specifications document. These documents served as grounds for further assistance from another donor – the USAID which provided relevant equipment (PCs and servers, software), developed an automatic record management system within the SCPEC RA RA. All these measures allowed to significantly improving IT infrastructure.



2E ANALYSIS OF THE LONG TERM IMPACT OF THE PROJECT

- Legislation prepared under this project will improve considerably the further handling of state aid and competition cases in the Republic of Armenia and bring the Armenian rules and practice closer to the standards of the EU *aquis communautaire*. The drafts submitted by the twinning experts and SCPEC RA will have a long term impact in this country once the respective laws will be adopted by the government and the parliament.
- By the Twinning Project the capabilities of the SCPEC RA have significantly developed and its capacities are strengthened. The twinning team, SCPEC RA members and staff have seized an opportunity to improve the legislation on Competition and State Aid, to strengthen the enforcement of them and to enhance the administrative capacity of SCPEC RA. The recent decisions by the SCPEC RA show an improvement in the quality of legal and economic arguments put forward in substantiating the case.
- The SCPEC RA has already basically built up the infrastructure for keeping records on the legislative work done and on the training provided within the Twinning project. Seminar and roundtable materials (slides, case studies, description of practical situations), as well as documents on drafting of legislative proposals (laws, bylaws), are put on the SCPEC RA's internal network system accessible to SCPEC RA staff, for their internal use. This way, assets acquired during trainings and legislative work are preserved for future use, recollecting and deepening of the relevant knowledge in particular areas of interest in competition and state aid control. The maintaining of this institutional memory on the legislative work done and on the training provided is an important aspect for further deepening of the knowledge by the SCPEC RA after the Project has come to an end. In this way the project will have a positive long-term impact in the future activities of the SCPEC RA.
- However, some of the project results may be lost if the trained and skilled staff leaves the institution in search of a better paid job elsewhere. Therefore adequate budgetary financing of the SCPEC RA activities is important.
- On the other hand, the skills of the SCPEC RA staff should be further maintained and developed, in particular in regard to state aid inventory. Even if other donors may be able to help in this regard, SCPEC RA should explore with EU-Delegation other possibilities, tools and instruments by which the EU can ensure the sustainability of the progress achieved under this twinning project.



2G CONCLUSIONS: Overall Assessment

After the end of this project, Twinning partners (Germany, Lithuania) will be able to share their experiences with Armenia due to established contacts and long-term collaboration in the Twinning. The executions of high quality training sessions, seminars, etc. have been demonstrated to be successful to achieve the Twinning results.

Concerning *Competition legislation and implementation rules*, the Project has drafted *Amendments to the RA Competition Law*, which was forwarded to the RA Government for consideration and submission to the National Assembly. The adoption of the mentioned *Amendments* is included in the Government's Program for 2013.

Regarding *State aid legislation and implementation rules*, the Project has drafted the Law on State Aid Control, as well as four bylaws necessary for the implementation of the new state aid law. The draft state aid law and four bylaws make up a full package of legislation adequate for the implementation of the rules on state aid control in line with the EU principles, and it is a significant improvement compared to the existing legislation on state aid, which is absolutely inadequate as it contains only one article in the competition law of RA and therefore is not operational and not practically enforceable.

However, due to the fact that the state aid law was not adopted, neither the package of by-laws drafted could be adopted, nor the establishment of a national state aid inventory could be fully accomplished.

Although the draft *Law on State Aid Control* has been sent to the Government for consideration, the RA Ministry of Economy has not considered the adoption of the *Law on State Aid Control* relevant for the time being, due to the current situation and strategic objectives of the country. The adoption of the new law requires long lasting and comprehensive discussions with all the interested bodies. However, taking into consideration the state aid provisions already existent in the *RA Competition Law* and the work carried out in the framework of EU Twinning project (namely: drafting bylaws, establishing a state aid inventory, enhancing the SCPEC RA staff capacities) the SCPEC RA is planning to continue the discussions and campaigns of raising public awareness. Even on the basis of the present law it tries to introduce clearer mechanisms for the establishment of national state aid inventory and the adoption of relevant regulations in line with EU norms and standards.

Regarding *Capacity development of SCPEC RA staff in legislation on competition*, the events organized under the twinning project (seminars, roundtables, on-the-job training, report-writing missions, etc.) should enable SCPEC RA and its staff to handle competition cases in a much more



efficient way than before. SCPEC RA should continue to build on these results and apply them in its daily practice.

Regarding *Capacity development of SCPEC RA staff in legislation on State aid control*, although there is no law on state aid adopted and there is practically no enforcement of state aid rules up to now, the seminars on state aid and study tours in 2011-2013 have contributed to the increase of the skills of the SCPEC RA staff in understanding state aid control principles and criteria and prepared SCPEC RA staff for future application of those rules.

Regarding *Awareness raising among related institutions*, different target groups are well aware now on State aid and competition topics. This is the result of many events (seminars for judges on competition, roundtables for business community and NGOs on competition rules and state aid control principles, seminars for line ministries and other state institutions on state aid, roundtables for journalists on competition, etc.) carried out by the twinning project in order to increase the awareness of these target groups.

The positive impact of the Twinning project on the development of the skills of the SCPEC RA in handling competition and state aid cases must be supported by a further advice and training (see Recommendations).



2H RECOMMENDATIONS

Having those conclusions in mind, the Twinning project can recommend the following four measures:

- After the project end, the new legislation proposed should be passed promptly in order to provide a sound legal basis for the practical application of many principles and lessons delivered during the seminars, roundtables, etc. on competition and in particular on state aid control.
- The fact-finding exercise based on the existing “*Questionnaire on state aid*” should be continued, in particular, the names of the authorities which did not fill in the Questionnaire or which did not appear on the mailing list should be checked, the measures reported should be given more in-depth analysis, etc.
- Although the level of knowledge by the SCPEC RA RA members and the staff on competition and state aid has increased measurably during the Project implementation period, it is still recommended, after the EU Twinning project is over, to continue training activities using other EU tools and instruments of support, e.g., using EU technical assistance / other twinning or twinning-light projects or follow-up programs available from other donors (USAID, etc.).
- Taking into account the experience gained during the project, the process of awareness raising in the sphere of public, state bodies and non-governmental organizations via mass media should be continued and expanded.
- In order to be more effective in Twinning results in a more general way, some basic law should be already in place (i.e. adopted and implemented) before starting a Twinning project. Referring to this *State Aid Twinning* it must be pointed out that since there was no state aid law adopted, the seminars, although high-level and professional, were not as effective as they could have been. Same is true regarding state aid inventory.



21 ANNEXES

Annex 1: Overview recommendation and long term impact with mandatory results achieved

Component	MANDATORY RESULTS	Long Term Impact	Recommendations
Component 1 Institutional Framework of SCPEC RA	Result 1: SCPEC RA institutional organisation strengthened		
Activity 1.1 Assessment report on institutional framework	<ul style="list-style-type: none"> • Organizational structure, workflow among the SCPEC RA members and staff, ways and means for improving efficiency and effective administrative management analysed • Assessment report finalized 	<ul style="list-style-type: none"> ➤ Strengthened institutional framework through improved internal organisational structure ➤ Increased capacities, information sharing, knowledge and skills within the SCPEC RA departments : <ul style="list-style-type: none"> • for investigating the cases • gathering information • handling their daily responsibilities • enhancing their self-confidence. ➤ New statute and chart established. 	<ul style="list-style-type: none"> • Further streamline, in particular in accordance with legislative changes, the organizational structure of SCPEC RA by expanding / slimming down the units of high / low interest (priority).



Component	MANDATORY RESULTS	Long Term Impact	Recommendations
<p>Component 2 Competition Legislation & Implementation Rules</p>	<p>Result 2: Competition legislation and implementation rules improved</p>	<ul style="list-style-type: none"> ➤ Legislation amended will improve considerably the further handling of competition cases in the Republic of Armenia and bring the Armenian rules and practice closer to the standards of the EU <i>aquis communautaire</i>. ➤ Drafts submitted by the twinning experts and SCPEC RA will have a long term impact in this country once the respective laws are adopted by the Government and the National Assembly. 	
<p>Activity 2.1 Review of the Law on Protection of Competition</p>	<ul style="list-style-type: none"> • Existing Law on Protection of Economic Competition of Armenia assessed • Several existing bylaws on competition assessed • Proposals for improvement formulated • The draft Amendments to the RA Competition Law, thoroughly discussed with the SCPEC RA, was put into the Armenian legal framework and was forwarded to the RA Government for consideration and submission to the National Assembly. 	<ul style="list-style-type: none"> • Proposals for possible amendments of current Competition law geared at approximation with EU standards • Strategic planning process concerning adaptation of by-laws on competition is initiated • Competition legislation and/or by-laws improved, which will pave the way to a more effective enforcement of the law, fairer and more vigorous competition, benefiting consumers and businesses alike 	<ul style="list-style-type: none"> • The new legislation proposed should be passed promptly in order to provide a sound legal basis for the practical application of many principles and lessons delivered during the seminars, roundtables, on-the-job trainings and other activities handled during the project.
<p>Activity 2.2 Review of current bylaws (implementing regulations and enforcement guidelines) on competition</p>			
<p>Activity 2.3 Proposal of new legislation and/or amendments to existing competition law and/or bylaws (if necessary)</p>			



Component	MANDATORY RESULTS	Long Term Impact	Recommendations
Component 3 State Aid Legislation and Implementation Rules	Result 3: State aid legislation and implementation rules improved	<ul style="list-style-type: none"> ➤ Legislative package (the law and 4 by-laws) drafted by the Twinning provides a complete set of rules for the enforcement of the state aid rules in line with EU standards 	
Activity 3.1 Review of current Armenian State aid legislation and proposal of a new legislation or amendment to the existing State aid legislation Activity 3.2 Adoption of by-laws (of implementing regulations and enforcement guidelines) on State aid control	<ul style="list-style-type: none"> • Draft Law on State Aid Control developed and forwarded to the Government of Armenia for consideration and submission to the National Assembly. • Implementation rules (4 bylaws) also drafted. • Draft law neither adopted by the RA Government nor presented to the National Assembly. • Four bylaws drafted by the Twinning experts neither adopted by the RA Government nor presented to the National Assembly. <ul style="list-style-type: none"> • The State Aid Inventory, the creation of which is directly linked with the adoption of the Law on State Aid Control, could not be established. However, this task is partially fulfilled as the background information and methodical scheme for developing and expanding the inventory, as well as the state aid questionnaire was created by the Twinning experts and has been sent to the stakeholders for filling in. This seems to be a good interim solution well adapted to the present conditions in the Republic of 	<ul style="list-style-type: none"> • Proposals for separate legislation or possible amendments of current Armenian State Aid Legislation • Draft Law on State Aid Control was prepared. • Uniform notification and review rules by all authorities in charge of State aid control • Four draft bylaws were prepared (on procedures, on general rules on state aid, on <i>de minimis</i> aid, on block-exempted aid) 	<ul style="list-style-type: none"> • The new legislation proposed should be passed promptly in order to provide a sound legal basis for the practical application of many principles and lessons delivered during the seminars, roundtables, and other activities handled during the project. • Skills of the SCPEC RA staff should be further maintained and developed, in particular in regard to state aid inventory. • SCPEC RA should explore with EU-Delegation other possibilities, tools and instruments by which the EU can ensure the sustainability of the progress achieved under this twinning project.
Activity 3.3 Establishment of a national State Aid Inventory		<ul style="list-style-type: none"> • National State aid inventory established containing existing State aid schemes, categories of State aid and grantors of State aid within a given time frame 	<ul style="list-style-type: none"> • State Aid Inventory could not be established due to the missing law, nevertheless:



Component	MANDATORY RESULTS	Long Term Impact	Recommendations		
	Armenia.	<ul style="list-style-type: none"> • Annual update of the inventory in accordance with EU best practices • A developed inventory of state aid will also correspond to the requirements of the WTO regarding state subsidies control 	<ul style="list-style-type: none"> • State Aid Questionnaire was prepared and sent to main stakeholders; • Methodical principles for assessing state aid measures were developed as well. Using these basic principles, state aid inventory should be further updated, developed and expanded 		
Component 4 Capacity development of SCPEC RA staff in legislation on competition	Result 4: Skills of SCPEC RA staff in competition legislation and its implementation developed	<ul style="list-style-type: none"> ➢ Some of the project results may be lost if the trained and skilled staff leaves the institution in search of a better paid job elsewhere. Therefore adequate budgetary financing of the SCPEC RA activities is important. 			
Activity 4.1 Production of a report reviewing the recent enforcement record of the SCPEC RA	<ul style="list-style-type: none"> • Skills of SCPEC RA RA staff in competition legislation and its implementation improved. • In total, 134 SCPEC RA RA participants attended seminars and roundtables within Component 4 in 2011-2013 out of 184 attendees overall. • Over the two years (2011-2013), 37 events (seminars, roundtables, on-the-job training, report writing missions (Report on recent Enforcement Record, Report on Competition Impact assessment in Aviation sector); study tours to Germany and Lithuania, participation in international conferences) took place. 	<ul style="list-style-type: none"> • All measures were connected to the improvement and developing of the skills of the SCPEC RA staff. • Progress can be seen from the increased activeness in the seminars, more focused questions, more professional discussions and evaluation forms. • Report on possible shortcomings in the economic and legal assessment of competition proceedings and decisions allows the SCPEC RA to further develop their enforcement practices by taking into account the recommendations by the Twinning experts • Translated EU, MS Competition Authorities' guidelines and case studies are useful hand-outs for BC specialists. 	<ul style="list-style-type: none"> • Although the level of knowledge by the SCPEC RA RA members and the staff on competition and state aid has increased measurably during the Project implementation period, it is still recommended to continue training activities using other EU tools and instruments of support, e.g., using EU technical assistance / other twinning or twinning-light projects or follow-up programs available from other donors (USAID, 		
Activity 4.2 Seminars on procedures					
Activity 4.3 Seminar on the conduct of efficient "dawn-raids"					
Activity 4.4 Seminars on the economic and legal aspects of the treatment of concentrations, vertical restraints, abuse of dominant position					
Activity 4.5 On-the-job training with respect to					



Component	MANDATORY RESULTS	Long Term Impact	Recommendations
<p>the most relevant on-going competition cases dealt with by the SCPEC RA</p>		<ul style="list-style-type: none"> • Overview and better understanding of good practice and the procedural mechanisms of enforcement by MS Competition Authorities <p>Overview and recommendations produced reflects in the following:</p> <ul style="list-style-type: none"> • SCPEC RA better familiar with the dawn-raid practice • Codes of Conduct included in respective operating procedures of Armenian institutions • Active participation by the involved institutions • Providing members of SCPEC RA with skills to ensure the sustainability of the benefits of the project. • Improved technical and procedural knowledge and competence of SCPEC RA staff in case handling and decisions • Improvement of expertise, confidence and professionalism of SCPEC RA staff and other stakeholders • In-depth knowledge of competition rules for specific sectors • Improved knowledge of SCPEC RA staff on established good practices and procedures for enforcement in EU member States • Improved enforcement record • In-depth knowledge on main laws and regulations having an impact an market competition • Officials participating in the policy study 	<p>etc.).</p> <ul style="list-style-type: none"> • The roundtable and discussions showed that there is a great interest of the SCPEC RA staff on one hand and the target groups on the other hand in competition issues regarding the financial and air transport sectors. The discourses on the issues were on a very high and professional level and productive. Therefore further roundtables and/or discussions (available from other donors) will be as useful for both the parties.
<p>Activity 4.6 Support for dealing with regulated sectors: telecommunications, energy supply, aviation transport and in financial services</p>			
<p>Activity 4.7 Two five-day study tours by 5 SCPEC RA officials/staff on enforcement practices by MSCA</p>			
<p>Activity 4.8 Production of a Competition Impact Assessment Report</p>			
<p>Activity 4.9 Three day policy study tour by 2 SCPEC RA decision makers to Bundeskartellamt-German Federal Cartel Office</p>			
<p>Activity 4.10 Participation of SCPEC RA staff in international conferences on competition</p>			



Component	MANDATORY RESULTS	Long Term Impact	Recommendations
		visit become acquainted with the up-to-date institutional framework of German Federal cartel office and European competition policy <ul style="list-style-type: none"> • Built and improved further mechanism for bilateral cooperation • Broader network of professional contacts within the European Union 	
Component 5 Capacity development of SCPEC RA staff in legislation on State aid control	Result 5: Skills of SCPEC RA staff in State aid control developed	<ul style="list-style-type: none"> ➤ Capabilities of the SCPEC RA have significantly developed and its capacities are strengthened. ➤ The twinning team, SCPEC RA members and staff have seized an opportunity to improve the legislation on Competition and State Aid, to strengthen the enforcement of them and to enhance the administrative capacity of SCPEC RA. 	
Activity 5.1 Seminar on main criteria constituting State aid	<ul style="list-style-type: none"> • Skills of SCPEC RA staff in State aid control have improved • In total, 80 SCPEC RA participants attended seminars within Component 5 in 2011-2013, out of 224 attendees overall. • Over the two years (2011-2013), 15 events (seminars, 2 study tours to Germany and 1 to DG Competition) took place: 12 seminars, 3 study tours. The progress can be seen from the increased activeness in the seminars, etc., more focused questions, more professional discussions. 	<ul style="list-style-type: none"> • Better understanding of State aid criteria as defined by the EU • Enhancing of internal management structure of SCPEC RA • Providing members of SCPEC RA with skills to ensure the sustainability of the benefits of the project • Improvement of expertise, confidence and professionalism of SCPEC RA staff on mechanisms to identify State aid • Training on regional and local level on State aid categories and rules, including notification • SCPEC RA staff is strengthened for the practical application of State aid rules • Staff familiarized with State aid notification 	<ul style="list-style-type: none"> • Although the draft law on state aid is still not adopted, the existing state aid rules (one article in the law on competition) should be enforced in order to further develop implementation and practical application skills and accumulate practice
Activity 5.2 On-the-job-training in regard to privatization cases involving State aid			
Activity 5.3 Seminars on the main categories of vertical and horizontal State aid for SCPEC RA officials			
Activity 5.4 Seminar on State aid inventory			
Activity 5.5 Two five-day study tours by 4 SCPEC RA officials/staff at MS			



Component	MANDATORY RESULTS	Long Term Impact	Recommendations
<p>institutions dealing with State Aid</p> <p>Activity 5.6 Three day policy study tour by 2 SCPEC RA decision makers to DG competition, Brussels</p>		<p>and reporting techniques</p> <ul style="list-style-type: none"> • Draft State aid inventory and report • Officers participating in the study visit are becoming acquainted with the State Aid control system of the Twinning MS and operate as multipliers in their units • SCPEC RA decision makers get acquainted with EU State aid policy that will enable them to expedite State aid legislation in Armenia 	
<p>Component 6</p> <p>Awareness on State aids and competition legislation among related institutions</p>	<p>Result 6:</p> <p>Increased awareness on State aids and competition legislation among related institutions</p>	<p>➤ Familiarizing the target groups with the laws, their implementation and the results of enforcement will help to enhance competition culture in the country, understanding and support by the public of the activities of SCPEC RA</p>	
<p>Activity 6.1 Seminars for judges</p> <p>Activity 6.2 Seminars on awareness raising and the development of formal and informal cooperation mechanisms between SCPEC RA and line ministries involved in granting State aid</p> <p>Activity 6.3 Roundtables with specific target groups, e.g. journalists, State bodies, business community and NGO's</p> <p>Activity 6.4 Study tour on Public relations</p>	<ul style="list-style-type: none"> • Awareness on state aid and competition legislation among stakeholders has increased, • In total, 142 SCPEC RA participants attended seminars within Component 6 in 2011-2013 out of 374 attendees overall. • 19 events overall in 2011-2013 took place: Seminars for judges on competition; Roundtables for businesses and NGOs on competition and state aid; seminars for line ministries and other state institutions on state aid; roundtables for journalists on competition. 	<ul style="list-style-type: none"> • Judges have an increased knowledge and awareness on State aid control and competition enforcement • Consistent application of EU competition provisions in compliance with EU and MS practice assured • Awareness of public and specific target groups such as Ministries, and public bodies in charge of competition and State aid control. • Launching of cooperation mechanisms between main stakeholders facilitating State aid control by SCPEC RA • Increased awareness of public and specific target groups • Active support to public campaign for 	<ul style="list-style-type: none"> • Further maintain and develop awareness raising efforts using both budgetary resources and funds from other donors



Component	MANDATORY RESULTS	Long Term Impact	Recommendations
		creating competition culture	
Component 7 IT infrastructure	Result 7: IT infrastructure improved	➤ Modernized IT infrastructure will enable the SCPEC RA staff to be more effective and comprehensive in their investigations and thereby better secure fair undistorted competition	
Activity 7.1 Technical diagnosis of database(s)/website	<ul style="list-style-type: none"> • Report on the technical status of the SCPEC RA RA database (including an assessment of existing hardware and software) was prepared • Further development into the IT Concept Paper and Technical Specifications document. These documents served as grounds for further assistance from another donor – the USAID which provided relevant equipment (PCs and servers, software), developed an automated record management system within the SCPEC RA. 	<ul style="list-style-type: none"> • Significantly improved IT infrastructure through drafting Concept paper on IT and website • Databases by SCPEC RA upgraded 	<ul style="list-style-type: none"> • Develop and maintain confidential internal network (intranet) accessible only to the SCPEC RA staff, where all routine case-related information, including confidential, is kept



Annex 2: Overview mandatory results achieved

Component	ACTIVITY	expected MANDATORY RESULTS (Components)	Deadline (Project Month)	Delay +/- months	Expected BENCHMARKS (Activities)	ASSESSMENT to date	Self-assessment Rate HS (Highly satisfactory), S (satisfactory), U (unsatisfactory)
Component 0							
General activities							
	0.1 Kick-off Workshop		2	0	<ul style="list-style-type: none"> Stakeholders, media and public informed about the start and content of the project by start of month 2. All participants are informed in detail about the project objectives, purposes and implementation plan. Workshop report (to be prepared within one month after the event) 	<ul style="list-style-type: none"> Kick-Off event taken place 	S
	0.2 Final Conference		3	+1	<ul style="list-style-type: none"> Dissemination of the results of the implemented project. Formulation and discussion of recommendations and lessons learned. Identification and preparation of joint follow-up activities. Conference report (to be prepared within one months after the event) 	<ul style="list-style-type: none"> Final Conference taken place 	HS
Component 1		Result 1: SCPEC RA institutional organisation strengthened					
	1.1 Assessment report on institutional		4	0	<ul style="list-style-type: none"> Strengthened institutional framework 	<ul style="list-style-type: none"> Report produced Recommendations had 	S



Component	ACTIVITY	expected MANDATORY RESULTS (Components)	Deadline (Project Month)	Delay +/- months	Expected BENCHMARKS (Activities)	ASSESSMENT to date	Self-assessment Rate HS (Highly satisfactory), S (satisfactory), U (unsatisfactory)
	framework					been proposed	
Component 2 Competition Legislation & Implementation Rules		Result 2: Competition legislation and implementation rules improved					
	2.1 Review of the Law on Protection of Competition		6	-2	<ul style="list-style-type: none"> Proposals for possible amendments of current Competition law geared at approximation with EU standards 	<ul style="list-style-type: none"> Existing law was reviewed, detailed assessment report was finalized ("Synopsis"). 	HS
	2.2 Review of current bylaws (implementing regulations and enforcement guidelines) on competition		8		<ul style="list-style-type: none"> Strategic planning process concerning adaptation of by-laws on competition is initiated 	<ul style="list-style-type: none"> Existing bylaws were reviewed, assessed, report with proposals was finalized. 	HS
	2.3 Proposal of new legislation and/or amendments to existing competition law and/or bylaws (if necessary)		12		<ul style="list-style-type: none"> Competition legislation and/or by-laws improved 	<ul style="list-style-type: none"> Draft Amendments to the Law on the Protection of Economic Competition were prepared. 	HS
Component 3 State Aid Legislation and Implementation Rules		Result 3: State aid legislation and implementation rules improved					
	3.1 Review of current Armenian State aid		13	-7	<ul style="list-style-type: none"> Proposals for separate legislation or possible amendments of current Armenian State Aid Legislation 	<ul style="list-style-type: none"> Draft Law on State Aid Control was prepared. 	HS



Component	ACTIVITY	expected MANDATORY RESULTS (Components)	Deadline (Project Month)	Delay +/- months	Expected BENCHMARKS (Activities)	ASSESSMENT to date	Self-assessment Rate HS (Highly satisfactory), S (satisfactory), U (unsatisfactory)
	legislation and proposal of new legislation or amendment to existing State aid legislation						
	3.2 Adoption of by-laws (of implementing regulations and enforcement guidelines) on State aid control		16		<ul style="list-style-type: none"> Uniform notification and review rules by all authorities in charge of State aid control State aid legislation improved 	<ul style="list-style-type: none"> Four draft bylaws were prepared (on procedures, on general rules on state aid, on de minimis aid, on block-exempted aid) 	HS
	3.3 Establishment of a national State Aid Inventory		21		<ul style="list-style-type: none"> National State aid inventory established containing existing State aid schemes, categories of State aid and grantors of State aid within a given time frame Annual update of the inventory in accordance with EU best practices 	<ul style="list-style-type: none"> State Aid Inventory could not established due to missing law, nevertheless: State Aid Questionnaire was prepared; Methodical principles for assessing state aid measures were developed as well. 	S
Component 4 Capacity development of SCPEC RA staff in legislation on competition		Result 4: Skills of SCPEC RA staff in competition legislation and its implementation developed					
	4.1 Production of a report reviewing the recent enforcement record of the		6		<ul style="list-style-type: none"> Report on possible shortcomings in the economic and legal assessment of competition proceedings and decisions 	<ul style="list-style-type: none"> Report with recommendations prepared 	HS



Component	ACTIVITY	expected MANDATORY RESULTS (Components)	Deadline (Project Month)	Delay +/- months	Expected BENCHMARKS (Activities)	ASSESSMENT to date	Self-assessment Rate HS (Highly satisfactory), S (satisfactory), U (unsatisfactory)
	SCPEC RA						
	4.2 Seminars on procedures		9	+7	<ul style="list-style-type: none"> Overview and better understanding of good practice and procedural mechanisms of MS Competition Authorities 	<ul style="list-style-type: none"> 2 Seminars held 	HS
	4.3 Seminar on the conduct of efficient "dawn-raids"		11	+5	Overview and recommendations on: <ul style="list-style-type: none"> Dawn-raid practice Codes of Conduct included in respective operating procedures of Armenian institutions 	<ul style="list-style-type: none"> 2 Seminars delivered 	HS
	4.4 Seminars on the - economic and legal aspects of the treatment of concentrations, vertical restraints, abuse of dominant position		13	+7	<ul style="list-style-type: none"> Active participation by the involved institutions Providing members of SCPEC RA with skills to ensure the sustainability of the benefits of the project. 	<ul style="list-style-type: none"> 3 Seminars delivered 	HS
	4.5 On-the-job training with respect to the most relevant on-going competition cases dealt with by the SCPEC RA		16		<ul style="list-style-type: none"> Improved technical and procedural knowledge and competence of SCPEC RA staff in case handling and decisions 	<ul style="list-style-type: none"> 16 on the job trainings were held 	HS
	4.6 Support for dealing with regulated sectors: telecommunications, energy supply, aviation transport and in financial services		14	+3	<ul style="list-style-type: none"> Improvement of expertise, confidence and professionalism of SCPEC RA staff and other stakeholders In-depth knowledge of competition rules for specific sectors 	<ul style="list-style-type: none"> 3 round tables held 	HS
	4.7 Two five-day study		7	+2	<ul style="list-style-type: none"> Improved knowledge of SCPEC RA staff on established good practices 	<ul style="list-style-type: none"> 2 five days study tours organised 	HS



Component	ACTIVITY	expected MANDATORY RESULTS (Components)	Deadline (Project Month)	Delay +/- months	Expected BENCHMARKS (Activities)	ASSESSMENT to date	Self-assessment Rate HS (Highly satisfactory), S (satisfactory), U (unsatisfactory)
	tours by 5 SCPEC RA officials/staff on enforcement practices by MSCA				and procedures for enforcement in EU member States <ul style="list-style-type: none"> Improved enforcement record Study visit mission Reports (to be prepared within one month after the visit) 		
	4.8 Production of a Competition Impact Assessment Report		20		<ul style="list-style-type: none"> In-depth knowledge on main laws and regulations having an impact an market competition 	<ul style="list-style-type: none"> Report produced 	S
	4.9 Three day policy study tour by 2 SCPEC RA decision makers to Bundeskartellamt- German Federal Cartel Office		10	+12	<ul style="list-style-type: none"> Officials participating in the policy study visit become acquainted with the up-to-date institutional framework of German Federal cartel office and European competition policy Built and improved further mechanism for bilateral cooperation Study visit mission Report (to be prepared within one month after the visit) 	<ul style="list-style-type: none"> 3 day study tour organised 	HS
	4.10 Participation of SCPEC RA staff in international conferences on competition		15	+2	<ul style="list-style-type: none"> Broader network of professional contacts within the European Union Mission Reports (to be prepared within one month after the visit) 	<ul style="list-style-type: none"> Participation of 2 SCPEC RA staff at 3 conferences 	HS
Component 5	Capacity development of SCPEC RA staff in legislation on	Result 5: Skills of SCPEC RA staff in State aid					



Component	ACTIVITY	expected MANDATORY RESULTS (Components)	Deadline (Project Month)	Delay +/- months	Expected BENCHMARKS (Activities)	ASSESSMENT to date	Self-assessment Rate HS (Highly satisfactory), S (satisfactory), U (unsatisfactory)
State aid control		control developed					
	5.1 Seminar on main criteria constituting State aid		6	+16	<ul style="list-style-type: none"> Better understanding of State aid criteria as defined by the EU 	<ul style="list-style-type: none"> Three seminars held 	HS
	5.2 On-the-job-training in regard to privatization cases involving State aid		16	Not applicable	<ul style="list-style-type: none"> Training needs assessment Enhancing of internal management structure of SCPEC RA Providing members of SCPEC RA with skills to ensure the sustainability of the benefits of the project Improvement of expertise, confidence and professionalism of SCPEC RA staff on mechanisms to identify State aid 	<ul style="list-style-type: none"> Discontinued due to lack of privatization cases in Armenia (Addendum II) 	-
	5.3 Seminars on the main categories of vertical and horizontal State aid for SCPEC RA officials		18	+6	<ul style="list-style-type: none"> Training on regional and local level on State aid categories and rules, including notification SCPEC RA staff is strengthened for the practical application of State aid rules 	<ul style="list-style-type: none"> Four 2 day seminars organised 	HS
	5.4 Seminar on State aid inventory		21	+1	<ul style="list-style-type: none"> Staff familiarized with State aid notification and reporting techniques Draft State aid inventory and report Report and training assessment 	<ul style="list-style-type: none"> Seminar held 	HS
	5.5 Two five-day study tours by 4 SCPEC RA officials/staff at MS institutions dealing with State Aid		11	+6	<ul style="list-style-type: none"> Officers participating in the study visit are becoming acquainted with the State Aid control system of the Twinning MS and operate as multipliers in their units Study visit mission Reports (to be prepared within one month after the visit) 	<ul style="list-style-type: none"> 2 study tours organised 	HS



Component	ACTIVITY	expected MANDATORY RESULTS (Components)	Deadline (Project Month)	Delay +/- months	Expected BENCHMARKS (Activities)	ASSESSMENT to date	Self-assessment Rate HS (Highly satisfactory), S (satisfactory), U (unsatisfactory)
	Destination to be identified (Germany or Lithuania/both)						
	5.6 Three day policy study tour by 2 SCPEC RA decision makers to DG competition, Brussels		7	+13	<ul style="list-style-type: none"> • SCPEC RA decision makers get acquainted with EU State aid policy that will enable them to expedite State aid legislation in Armenia • Study visit mission Report (to be prepared within one month after the visit) 	<ul style="list-style-type: none"> • Study tour organised 	HS
Component 6 Awareness on State aids and competition legislation among related institutions		Result 6: Increased awareness on State aids and competition legislation among related institutions					
	6.1 Seminars for judges		8	+4	<ul style="list-style-type: none"> • Judges have an increased knowledge and awareness on State aid control and competition enforcement • Consistent application of EU competition provisions in compliance with EU and MS practice assured 	<ul style="list-style-type: none"> • 2 seminars took place 	HS
	6.2 Seminars on awareness raising and the development of		17	+4	<ul style="list-style-type: none"> • Awareness of public and specific target groups such as Ministries, and public bodies in charge of competition and State aid control. • Launching of cooperation 	<ul style="list-style-type: none"> • 3 seminars took place 	HS



Component	ACTIVITY	expected MANDATORY RESULTS (Components)	Deadline (Project Month)	Delay +/- months	Expected BENCHMARKS (Activities)	ASSESSMENT to date	Self-assessment Rate HS (Highly satisfactory), S (satisfactory), U (unsatisfactory)
	formal and informal cooperation mechanisms between SCPEC RA and line ministries involved in granting State aid				mechanisms between main stakeholders facilitating State aid control by SCPEC RA		
	6.3 Roundtables with specific target groups, e.g. journalists, State bodies, business community and NGO's		21	+3	<ul style="list-style-type: none"> Increased awareness of public and specific target groups 	<ul style="list-style-type: none"> 8 round table discussions took place 	HS
	6.4 Study tour on Public relations		5	+4	<ul style="list-style-type: none"> Active support to public campaign for creating competition culture Study visit mission Report (to be prepared within one month after the visit) 	<ul style="list-style-type: none"> 2 SCPEC RA staff participated in 2 day study tour 	HS
Component 7 IT infrastructure		Result 7: IT infrastructure improved					
	7.1 Technical diagnosis of database(s)/website		4	+16	<ul style="list-style-type: none"> Concept paper was adopted Databases by SCPEC RA upgraded 	<ul style="list-style-type: none"> Report prepared Report further developed into IT Concept Paper and Technical Specifications document (served as grounds for assistance from another donor USAID) 	HS