

U.S. Government Assistance to and Cooperative Activities with Eurasia -FY 2003

Released by the Bureau of European and Eurasian Affairs
January 2004

Annex A: Assessments of Progress in Meeting the Standards of Section 498A of the Foreign Assistance Act of 1961

CRITERIA FOR U.S. ASSISTANCE UNDER SECTION 498A(a) OF THE FOREIGN ASSISTANCE ACT

ARMENIA

Section 498A(a)(4): "respect international law and obligations and adhere to the Helsinki Final Act of the Conference on Security and Cooperation in Europe and the Charter of Paris, including the obligations to refrain from the threat or use of force and to settle disputes peacefully."

In November 1999, Armenia joined the other OSCE states in signing the Charter for European Security, which reaffirms full adherence to all OSCE documents already in force. **However, Armenia does not recognize the borders of Azerbaijan as defined in OSCE documents at the time of accession.** Armenia facilitated the opening of an OSCE office in Yerevan in 2000. As a result of the continuing conflict over Nagorno-Karabakh, **Armenian military forces occupy a portion of the territory of Azerbaijan.** <.....>

Section 498A(a)(6): "implement responsible security policies, including--

(A) adhering to arms control obligations derived from agreements signed by the former Soviet Union; (B) reducing military forces and expenditures to a level consistent with legitimate defense requirements; (C) not proliferating nuclear, biological, or chemical weapons, their delivery systems, or related technologies; and (D) restraining conventional weapons transfers."

<.....> Armenian compliance with CFE has been uneven. In addition to Armenia's longstanding failure to properly notify or carry out reductions required by the Treaty, there are serious concerns about the completeness of Armenia's data on equipment holdings. Also of concern are: evidence that Armenia may have failed to notify increases in unit holdings involving CFE Treaty limited equipment transferred from Russia, the fact that Armenia continues to station troops and CFE limited equipment on the territory of Azerbaijan without Azerbaijani permission, and evidence that Armenia made a late notification of the entry into service of multiple rocket launchers purchased from China. Another area of concern is Armenia's failure to report the apparent transfer of TLE from Russia in the mid-1990s. There has been no change in this issue by the Armenians. Armenia has taken no new steps toward resolving this issue since the Trilateral Commission, established in 1997 to investigate the transfers, stopped meeting in April 1998. Both Armenia and Azerbaijan have maintained that it is impossible for them to meet certain Treaty obligations because of security concerns associated with the Nagorno-Karabakh conflict. This said, Armenia is engaged in discussions both in the CFE context and in the context of the Minsk Group process that may help to address a number of these issues.
<.....>

We have received occasional reports of transfers from Armenia potentially related to proliferation of weapons of mass destruction technology or equipment, which we carefully review and pursue in light of the global war on terror, our efforts on Iraq/other states that sponsor terrorism and our legal obligations under the various nonproliferation sanctions laws. Based on U.S. diplomatic efforts in 2002, Armenia worked cooperatively with the United States Government to stop and detain a shipment of dual-use equipment originating in Armenia that was destined for Iran. **On May 9, 2002, the U.S. imposed sanctions on two Armenian entities – Lizin Open Joint Stock Company and Armenian national Armen Sargasian – pursuant to the Iran Nonproliferation Act for the transfer of Australia Group-controlled items to Iran in the second half of 2001.** The Armenian Government also worked with the USG to ensure transparency regarding this matter. Armenia approved a WMD-related export control system in December 2003 and has worked with the United States and other countries toward this goal.

Armenia is not a significant exporter of conventional weapons, but **has provided substantial support, including materiel, to separatists in the Nagorno-Karabakh region of Azerbaijan.** It provided both ammunition and weapons to support the U.S. led effort to train and equip the new Afghan National Army as part of Armenia's participation in Operation Enduring Freedom. (*note: all emphasis is added by USAN)