

Dear Colleagues,

Distinguished Delegates,

Taking this opportunity to speak at the Third Session of the Steering Committee on Trade Capacity and Standards, I would like to brief you on recent achievements that Armenia has made in reduction and elimination of non-tariff barriers to trade. Non-tariff barriers that include various regulatory and procedural restrictions challenge free movement of goods and services, consequently, significantly affecting economic development. The Government of Armenia has adopted a targeted approach towards removal of these barriers.

To start with, the reform agenda of quality infrastructure embedded in the “2010-2020 Quality Infrastructure Reform Strategy” of 2010 aims, on the one hand, at increasing the competitiveness of our products in foreign markets and reducing the technical barriers, on the other hand.

Along with the adoption of new legislation (laws “On Technical Regulation,” “On Standardization,” “On Accreditation” and “Uniformity of measurements”) structural adjustments and capacity building activities were launched in the areas of technical regulations, accreditation and conformity assessment, standardization, metrology and market surveillance.

Since Armenia's membership to the Eurasian Economic Union (EEU) in January 2015, 46 national technical regulations have been reviewed. Currently, 27 national regulations are in a transitional period, and 35 EEU technical regulations are enforced. This period will allow Armenian exporters, importers, and producers to adjust to new requirements.

Furthermore, bilateral and multilateral recognition of accreditation and conformity assessment results is still a significant challenge. In this regards, to mutually recognize accreditation of conformity assessment bodies and documents, the national authority for accreditation has started to take steps to achieve the signing of bilateral and multilateral agreements with regional and international organizations, including the European Accreditation, the International Laboratory Accreditation Cooperation, and the International Accreditation Forum.

During the last ten years, the Institute of Standardization of Armenia has developed new harmonized national standards to remove trade barriers and promote export and import of products. The Institute is a member of the International Organization for Standardization since 1997 and an affiliate member of the European Committee for Standardization since 1 January 2008, where it actively participates in technical committees.

Moreover, a national strategy on metrology has also been developed to improve metrology in Armenia and to provide the international traceability of measurements. The aim of this strategy is to determine the direction for the development of the effective and internationally recognized national metrology system in Armenia. Currently, the National Institute of Metrology is a member of the Euro-Asian Cooperation of National Metrological Institutions. It is also planned to become a member of the International Bureau of Weights and Measures and International Organization of Legal Metrology.

In the sanitary and phytosanitary area, a number of rigorous measures have been taken to reduce barriers in the field, improve and modernize the legislation for standards of food safety and the food safety system, increase consumers' awareness, and promote investments and

implementation of new technologies. The State Service for Food Safety of the Ministry of Agriculture is a principal governmental body in the veterinary and phytosanitary sphere. The Service has established an efficient partnership with international organizations, including the World Organization for Animal Health, International Plant Protection Convention, Food, and Agriculture Organization of the United Nations, Center for Agribusiness and Rural Development, and International Finance Corporation. Focused actions include legislative and regulatory improvements and modernization of laboratories. During the period from 2011 to 2014 regulations and laws were aligned with international standards. Also, within the cooperation framework with the EEU, the laboratories have been upgraded with new equipment and systems. Further, the phytosanitary veterinary and food safety legislation is brought into compliance with the procedures defined by International Standards for Phytosanitary Measures, and standards and practices of World Organization for Animal Health and Codex Alimentarius. Additionally, we have worked on food safety risk assessment and risk management framework for the 2017-2022 to enhance the performance of the food safety system.

Meanwhile, Armenia recognizes the importance of gender equality and the involvement of women in business for the purpose of ensuring sustainable development and poverty reduction. In this regard, Armenia has made progress mainly through reforms of legal acts and developing policy documents.

Trade facilitation is another priority for the Armenian Government. Trade facilitation issues and solutions are addressed in various strategies and programmes. The Armenia Development Strategy for 2014-2025 identifies trade facilitation, export promotion, and improvement of doing business environment as its strategic objectives.

The role of simplified regulations and administrative procedures, in this context, is of paramount importance. The Government encourages innovative and result-oriented projects to tackle the issues. To picture the tendency, let me mention a couple of examples:

- The regulatory “guillotine” programme, which has reviewed around 3,000 rules and regulations in 30 sectors and conducted impact analysis, contribute to easing regulations for trade facilitation.
- The customs and tax authorities have introduced a risk-based control system to reduce the administrative burden for the businesses.
- Since 2014 the Government has launched E-government services such as online customs declaration, and the “Single Window” to reduce bureaucracy.
- The single window for issuing permits and certificates for the import and export of animal and plant products, food products and items contacting with food products has also been applied since May 2015.
- To foster higher usage rate of e-services, the Government adopted a concept paper on Formation of E-Society in Armenia. Currently, the functional e-services include the online filing of tax returns and social security contributions, e-Pension, e-Procurement systems, e-Cadastre, e-Registration, etc.
- Free economic zones have been established to attract exporting domestic and global enterprises.

Needless to highlight that the WTO Trade Facilitation Agreement plays a fundamental role in improving border procedures and stimulating elimination of non-tariff barriers. Armenia has also joined the ratifying members.

Topics on trade facilitation, regulatory and administrative barriers are primarily linked to the favorable business environment. The Development Strategy for 2014-2025 among others targets (i) reducing the regulatory burden on businesses by half; (ii) optimizing inspections; (iii) strengthening pro-competition policy and institutional capacity; and (iii) enhancing investment promotion.

We have made significant strides in this direction. Armenia has improved its position in the World Bank's annual "Doing Business" report. The World Bank "Doing Business 2017: Equal Opportunity for All" ranked Armenia 38th among 190 economies, a significant improvement over the 2016 (43rd).

To name a few, reduced time and efforts spent by the entrepreneurs with the use of the e-Registration system, quick registration of principle juridical persons and sole proprietorships through the "Single Window," and in average 15 minutes needed to register a limited liability company and sole proprietorships, vividly illustrate the outcomes of the concerted actions.

At the same time, we fully acknowledge that there is still a gap between our current achievements and the results we desire. With this in mind, we approach the UNECE study on "Removing regulatory and procedural barriers to trade in Armenia" as an opportunity to reassess the progress and uncover the areas and issues that need more attention.

To conclude, please, allow me to express my sincere gratitude to the UNECE for the readiness to conduct the study on "Removing regulatory and procedural barriers to trade in Armenia." We do believe that this exercise will add to the efforts in supporting economic growth in Armenia. We express our commitment to the processes.

Once again, thank you for the cooperation and support.

Thank you for your attention.