

To the Prime-Minister of the Republic of Armenia

Mr. H. Abrahamyan

Copy: to the Minister of Energy and Natural Resources

Mr. Y. Zakharyan

Dear Mr. Prime-Minister,

According to your instructions, the Ministry of Energy and Natural Resources answered A.D. Sakharov Armenian Human Rights Centre (hereinafter referred to as Sakharov Centre) with a letter (№01/19.1/3579-15 dated on 09.07.2015) on the proposals that the Sakharov Centre had sent you on 26.06.2015 (letter №2323).

The RA Ministry of Energy and Natural Resources also sent the copy of the mentioned letter to the RA Minister- Chief of the RA Government Staff Mr. D. Harutyunyan.

The RA Ministry of Energy and Natural Resources implemented your instruction efficiently, however, the quality of the “explanation” mainly has a declarative character and is in tune with many “explanation for masses” of not remote past of the domestic bureaucracy.

I’ll try to explain:

1. It seemed that taking into account the rather difficult situation of the country, the RA Government will develop a suggestion on reconsidering the unprofitable articles of the budget (and non-budget means) of the country directed to maintaining state structures and enter with the mentioned suggestions to the RA National Assembly. In my letter I didn’t raise the issue of the cut of improper costs. The dilemma is introducing the system of tough economy in government structures at least for a certain period of time and to cut targeted costs, which, as a rule, were formed for vanity of officials. There are many examples, but we are not talking about it. It’s not difficult for you to quickly identify cases of misuse of public funds for private purposes.
2. It was supposed that for the RA Ministry of Energy and Natural Resources, not expecting the financial and technical-technological audit organized by the Armenian and Russian sides, it would be reasonable:
 - To implement structural analysis of the technological losses of the realized energy (according to standards they should be not more than 5-6%);
 - To determine who and what caused the deficiency in the planned income of ENA, and what should be the norm of the gain for the systems similar to ENA (parameters: the number of users; the level of technical equipment and the level of deterioration, the number of personnel, etc.);
 - To determine what is the value of receivables by groups and types of energy consumers;
 - To implement control measurements of electricity used by big consumer objects;

- To develop sectoral balance of generating and consuming electricity in value and real forms;
- To determine by whom and what is conditioned the increase of costs of other market participants;
- Etc.

If the Ministry of Energy and Natural Resources of the Republic of Armenia (including PSRC) considers that their activities are out of criticism, then who can explain why the Republic is in energy crisis.

3. It's obvious that many ministries and agencies in these organizational-economic relations don't have (or formally have- issuing licenses) the functions of control over technical-economic and human resources activities of the subjects regardless the forms of property. May be it's reasonable to reconsider the current practice. Otherwise they are satisfied by issuing licenses for a corresponding activity for a specified time and have done with it.

In practice it's somehow inexplicable why elevators fall; gas fueling stations explode; fixed-route taxis serve the population at the level of transporting "cattle"; children and women in childbirth die or are injured in hospitals; drugs are sold to the population for "exorbitant" prices and much more.

In any more or less developed country the market economy is controlled by the state in order to improve the quality and accessibility of services offered to the population, and we have spontaneous development, that's why we and our day-to-day life develops in endless transitional regime.

PS. Over the entire period of our independence no government of the Republic of Armenia hasn't ever bothered to explain programmatically the population (not populistically) how our economy will be in 3, 5 or 10 years quantitatively and qualitatively. The population (the vast majority of it) lives by today with no prospects. As a consequence, the population developed distrust towards the government and its ineffective actions.

Sincerely,

Levon Nersisyan

Director of A. D. Sakharov Armenian Human Rights Centre