

# EUROPEAN UNION FOR ARMENIA:

VALUES, CONFIDENCE, PROSPERITY

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## **EXECUTIVE SUMMARY**

Relations between Armenia and the European Union have entered a qualitatively new phase. The period between 2024 and 2026, including the establishment of the Strategic Agenda of the Armenia-EU partnership and culminating in the successful hosting of major European political summits in Yerevan and the consolidation of a renewed reform mandate for the current Armenian government following the 2026 parliamentary elections, has elevated Armenia's profile within the wider European political space to a new level.

Although visibility of Armenia-EU relations should not be confused with real transformation, the central finding of this policy paper is that Armenia's European trajectory is no longer primarily constrained by the availability of European engagement but also has an important domestic dimension. The EU has demonstrated a very high degree of political openness, financial commitment, and institutional support toward Armenia. The more significant constraints are increasingly domestic: the quality of governance, the durability of democratic institutions, the credibility of reform implementation, and the ability of political actors to maintain public trust throughout a long and inevitably uneven process of integration.

The report argues that Armenia's European agenda should not be understood through the narrow lens of geopolitics alone. While regional security developments, deteriorating confidence in traditional security providers, and the consequences of the 2020–2023 events have accelerated Armenia's engagement with Europe, the long-term significance of integration lies elsewhere. At its core, the European project offers Armenia a framework for strengthening institutions, improving governance, diversifying economic relations, enhancing societal resilience, and expanding opportunities for its citizens.

At the same time, expectations require careful calibration. The European Union is not a military alliance and cannot provide collective defence guarantees (for now). The Armenia-EU Comprehensive and Enhanced Partnership Agreement (CEPA) is not an Association Agreement and does not offer any direct pathway to membership. These realities do not diminish the value of the partnership, however, but they define its practical boundaries.

The comparative experiences of Georgia, Moldova, and Ukraine demonstrate that European integration is neither linear nor irreversible. Legislative approximation is often faster than institutional transformation. Formal compliance does not automatically translate into behavioral change. The durability of reforms depends on domestic political conditions, independent institutions, active civil society, and sustained public demand for accountability.

For Armenia, four priorities emerge as particularly important in the European integration process over the next decade: completion of the visa liberalisation process, meaningful judicial reform, continued energy diversification, and deeper integration into European digital and innovation ecosystems. Supporting all of these priorities is the need for a more effective strategic communication effort capable of bridging the growing gap between public expectations and the practical realities of integration.

## INTRODUCTION

In recent years, Armenia has achieved an unprecedented level of partnership with the European Union for a non-candidate country. Through the implementation of the Comprehensive and Enhanced Partnership Agreement (CEPA), the deployment of the EU Monitoring Mission in Armenia (EUMA), and the current deployment of a second EU mission focused on addressing non-kinetic and hybrid threats (EUPMA), the non-lethal support via the European Peace Facility (EPF) and the Resilience and Growth Plan as well as the launch of the Visa Liberalisation Process (VLAP), Armenia has successfully advanced a multidimensional integration process. The adoption by the Armenian parliament of the EU Integration Act in 2025, followed by the bilateral Strategic Agenda for the EU-Armenia Partnership, has further institutionalized this trajectory.

The two Yerevan summits of May 2026 were, by any reasonable measure, a genuinely historic moment. The 8th European Political Community (EPC) Summit brought representatives from 48 countries to the Armenian capital, which also served as a suitable venue for a number of strategic bilateral dialogue events between many European countries. European Council President António Costa said what needed to be said: “The fact that Armenia is hosting this summit is a powerful illustration of the country’s courageous geopolitical path.”<sup>1</sup> The inaugural EU-Armenia bilateral summit followed the next day, with European Commission President Ursula Von der Leyen and Armenian Prime Minister Nikol Pashinyan signing what both sides described as a new chapter in the relationship.

The concrete deliverables were worth enumerating precisely because they will form the benchmarks against which future implementation is judged. The EU-Armenia Connectivity Partnership was signed, anchored by a €30 million investment covering energy, transport, digital infrastructure, manufacturing, and agriculture. Armenia also formalised its intention to join a number of related programs, including the Chips Joint Undertaking,

<sup>1</sup><https://www.consilium.europa.eu/en/press/press-releases/2026/05/04/press-statement-by-president-antonio-costa-following-the-meeting-of-the-european-political-community/>

EuroHPC, EU Customs and the Fiscalis programmes, EU4Health, and Creative Europe. AI cooperation aligned with the EU AI Act was further agreed. Von der Leyen stated the strategic logic plainly: “Armenia provides the shortest route to Central Asia and the Caspian Sea with Europe. Armenia can become a regional centre.”<sup>2</sup> France and Armenia also signed a separate bilateral strategic partnership – one of the first of such kind formats between Armenia and a major EU member state (including the German-Armenian strategic partnership that was already signed on December 9, 2025).

But the summits also posed a direct challenge that deserves honest acknowledgement: it remains to be seen whether visible European political support can be translated into Armenian sustainable structural progress. Armenia is functioning, whether it chose that role or not, as a new test case in the new geopolitical framework for the EU’s post-enlargement engagement model – a test of whether European commitments mean something concrete even where third countries retain structural leverage. If the partnership deepens, it demonstrates that the model works well under pressure. If it stalls or reverses, however, it only confirms what the sceptics have always argued: that EU engagement in genuinely contested regions is ultimately decorative. The political stakes are considerably higher than they appear in diplomatic communiqués.

Now, after the summits, following the June 7 Armenian parliamentary elections, and against the background of rapidly shifting regional dynamics, the moment calls for a calmer and more unsentimental reckoning – one that examines, with some precision, the actual framework, limits, and possibilities of Armenia-EU engagement. Above all, it calls for clarity about what this relationship can realistically deliver, and what it cannot.

Armenia’s current European orientation was neither the product of deliberate grand strategy nor of a planned political trajectory although sides have already demonstrated quite an impressive record of cooperation through the previous stages of cooperation. The Armenian activation of the European vector was driven mainly by a hard-edged strategic reassessment

<sup>2</sup><https://www.primeminister.am/en/press-release/item/2026/05/05/Nikol-Pashinyan-Armenia-EU-Summit/>

forced by the collapse of existing alternatives. The European turn was compelled by events as much as it was chosen – and that distinction matters for assessing both the durability of the partnership and its democratic legitimacy.

The 2013 reversal at Vilnius was the starting point. When Armenia walked away from initialing an Association Agreement and abandoned a Deep and Comprehensive Free Trade Agreement (DCFTA) under transparent Russian pressure and joined the Eurasian Economic Union instead, the decision followed a cold and familiar logic: Russia provided the security guarantee against the threats from Azerbaijan, maintained a military-political balance around Nagorno-Karabakh that served Armenian interests, provided subsidised gas, and offered important market access for Armenian exporters. Europe was an admirable destination for a future Armenia; but it was not a framework that addressed immediate security realities. The choice was painful, but it was not irrational.

The 2020 war demolished that logic in forty-four days. Azerbaijan's military campaign overturned the territorial status quo that had anchored Armenian foreign and security policy since 1994. The Collective Security Treaty Organization (CSTO) offered nothing of substance and Russia's response was calibrated to signal a studied neutrality while allowing the outcome of Armenia's military defeat to freely unfold. Three decades of strategic calculation had crumbled, and no one quite knew yet what would replace them.

The September 2023 dissolution of the Nagorno-Karabakh Republic and the displacement of more than 100,000 ethnic Armenians by the Azerbaijani military in a matter of days crystallized years of accumulated strategic failure. The shock was profound – not just for the displaced Armenian families from the region, but for an Armenian political establishment that had defined itself around the Karabakh cause across multiple governments and multiple decades.

The Armenian government's response – suspending CSTO participation, accelerating EU engagement, pursuing direct negotiations with Baku with Western facilitation – was presented domestically as a deliberate strategic reorientation. But in reality, the Armenian shift toward Europe reflects both

genuine values and a strategic reassessment driven by the collapse of the alternatives. These are not contradictory factors – but conflating them obscures the real conditions under which the partnership will be tested.

This policy paper evaluates the domestic and external political dimensions of Armenia’s EU integration alongside the structural features, opportunities, and constraints in the areas of governance, security, and economics. It draws on the experience of the three Eastern Partnership countries that have achieved EU candidate status – Moldova, Ukraine, and Georgia – and examines what their trajectories, both successful and cautionary, offer as lessons for Armenia’s own situation. It assesses the broader regional context and its bearing on Armenia’s European integration and offers a frank account of what the EU can realistically provide at this stage – and what it cannot.

The argument throughout is straightforward: the partnership’s potential is genuine, the structural constraints are real, and the outcome will depend less on the quality of bilateral declarations than on what happens within Armenian institutions and regional frameworks – and on whether both sides are willing to be honest with their own publics about what this relationship actually involves.

## **The Domestic Dimension of Armenia-EU Integration**

The prospect of a more prosperous, modern, and distinctly European future for Armenia – combined with the possibility of visa-free travel to Europe for Armenian citizens – emerged as one of the most effective political narratives employed by Prime Minister Nikol Pashinyan and the ruling Civil Contract party during the June 2026 parliamentary campaign. This message resonated particularly strongly when combined with two major European summits hosted in Yerevan in May 2026, only weeks before the vote.

Beyond their symbolic and domestic political value, these events demonstrated that Armenia had become an increasingly visible participant in the broader European political space. Yet these developments should not create the illusion that the European agenda can remain primarily a utilitarian political instrument – useful for electoral mobilisation and domestic political

competition but detached from the far more complex processes of democratic consolidation and institutional transformation in Armenia.

Any serious assessment of Armenia's European trajectory must begin with a simple but often a bit overlooked and not always admitted reality: the country pursuing closer integration with the European Union is an electoral democracy. It is an imperfect democracy, still navigating a difficult transition and facing significant internal and external pressures, but a democracy, nonetheless. The June 2026 parliamentary elections returned Civil Contract to power with a parliamentary majority. According to Freedom House's 2026 Nations in Transit report, Armenia received a democracy score of 4.11, improving from 3.96 in 2023 but remaining within the category of a "transitional government" rather than as a consolidated democracy.<sup>3</sup>

This distinction is more significant than it may initially appear. Consolidated democracies possess institutions capable of sustaining but still not always assured strategic policy commitments across electoral cycles and changes of government. Transitional democracies, by contrast, remain more dependent on the political preferences and priorities of incumbent leaderships. Armenia currently falls into the latter category. Consequently, the durability of its European trajectory remains closely linked to the political fortunes of the current governing force.

At the same time, discussions of Armenia's domestic political landscape often oversimplify the role of the opposition. Portraying opposition forces as uniformly pro-Russian or inherently hostile to European integration fails to capture the complexity of Armenia's political environment. For example, at least six of political forces that ran in the June 2026 parliamentary elections wanted to make EU accession a political priority.<sup>4</sup>

From this perspective, the Armenian opposition encompasses a diverse set of actors, including former political elites attempting to balance residual economic interests with genuine strategic concerns; political actors whose primary focus remains the loss of Nagorno-Karabakh and the terms of the

<sup>3</sup>Freedom House. Nations in Transit 2026: Armenia Country Report. Washington, DC: Freedom House, 2026.

<sup>4</sup>Positioning of the Political Parties and Alliances in Armenia 2026 - Konrad-Adenauer-Stiftung, <https://www.kas.de/de/analysen-und-argumente/detail/-/content/positioning-of-the-political->

emerging peace settlement with Azerbaijan; and a younger civic-oriented opposition that is critical of the government's governance record without necessarily opposing closer ties with Europe.

The latter group deserves particular attention. Their criticism is not directed at the European project itself but rather at the manner in which it is being implemented. Concerns regarding selective reforms, inconsistent anti-corruption enforcement, weak institutional accountability, and the unequal distribution of economic benefits are not expressions of anti-European sentiment. On the contrary, they represent precisely the type of domestic scrutiny that can make a reform process more credible, resilient, and sustainable over time, although not one of these groups has made it even close to passing the threshold to enter the new parliament in the June 2026 elections.

Beneath the generally positive public discourse surrounding European integration lies a more complicated reality. It could be described as a “values gap” within Armenian society. While a substantial portion of the population supports closer relations with political Europe in principle, some citizens remain uncertain whether the current political establishment can deliver the promised transformation in a transparent and equitable manner.

This concern is reflected in public opinion data. According to a public opinion survey conducted by the International Republican Institute (IRI) in the Spring of 2026, some 52 percent of respondents expressed concern that European-oriented modernisation could disproportionately benefit politically connected business groups and insiders rather than ordinary citizens. Importantly, this anxiety extends far beyond opposition circles and reflects a broader societal concern regarding the distribution of the costs and benefits associated with reform. Public support for European integration itself is also more nuanced than the headlines sometime suggest. Approximately 75 percent of Armenians support closer ties with the European Union, up from 58 percent in 2023 – a significant and meaningful increase. However, only 38 percent believe that the government is managing the integration process transparently, and fewer than half report having sufficient information about the practical implications of the Comprehensive and Enhanced Partnership Agreement (CEPA).<sup>5</sup>

These findings suggest that support for European integration remains broad but relatively shallow. For many citizens, “Europe” continues to function more as a symbol of prosperity, rule of law, and opportunity than as a clearly understood political and institutional project. Such support can prove volatile if reform-related costs become more visible while tangible benefits remain distant or poorly communicated. Experiences elsewhere in the Eastern Partnership countries or in the Western Balkans region provide important precedents of how quickly public enthusiasm can weaken when expectations exceed practical outcomes.

This points to one of the most significant domestic challenges facing Armenia’s European trajectory: the insufficient scale and quality of communication with both society and political elites regarding the nature, requirements, and realistic prospects of integration. To date, much of the government’s messaging has been directed outward – toward Brussels, European capitals, and international audiences – rather than toward building a durable domestic consensus capable of sustaining reforms over the long term.

In the short term, such an approach is understandable. The diplomatic momentum achieved during 2025-2026 required intensive engagement with European partners and institutions. However, over time this imbalance creates a structural vulnerability. A European trajectory that relies mainly on the political will of a single government or leader, rather than on deeply rooted societal demand and broad political consensus, remains inherently fragile.

Any change of government – or even a substantial weakening of the ruling party’s parliamentary dominance – could significantly slow, modify, or partially reverse elements of the integration process. For example, Georgia’s political evolution over the past decade offers a clear illustration of how rapidly such shifts can occur when strategic directions are not fully institutionalised.

The central point, therefore, should be stated clearly. In Armenia’s contemporary political context, European integration is not simply a policy

<sup>5</sup><https://www.iri.org/resources/public-opinion-survey-residents-of-armenia-may-2026/>

agenda to be implemented by government institutions. It is a long-term political project that requires the continuous renewal and deepening of public consent within a society characterised by diverse identities, competing geopolitical preferences, and differing socioeconomic interests. In this context, both the Armenian political elite and society should also prioritize the activities and engagement not only with their direct contacts and cooperation with Brussels and EU member states but also with key non-governmental or civil-society-oriented actors that are trying to support to foster a better understanding of what the EU-Armenia processes are about.

This includes citizens who remain skeptical of deeper integration with Europe, opposition forces critical of the government's approach, communities outside Yerevan that may experience adjustment costs more acutely than the capital, and institutions that remain vulnerable to political influence and administrative weakness.

Viewed from this perspective, the real communication deficit surrounding Armenia's European agenda is not merely a secondary technical issue. It represents a structural challenge to the long-term sustainability of the country's European trajectory – one that may ultimately prove as consequential as shortcomings in judicial reform, governance capacity, or institutional development. While it may not be the most fundamental obstacle facing Armenia-EU relations, it is arguably the most visible and politically consequential challenge for both Armenia and the EU, and most likely to shape the medium- and long-term domestic dimension of Armenia's European integration process.

## **Governance: The Reform That Actually Matters**

If one asks ordinary Armenians, and not participants at European agenda-oriented policy and academic conferences, but people in everyday conversations in Yerevan and beyond – what they associate with Europe, the answers tend to converge around a surprisingly consistent set of expectations. They speak about courts where verdicts are not effectively determined before proceedings begin; tax authorities that apply the same rules regardless of personal connections; procurement systems where the lowest qualified bidder genuinely has a chance to win; and public

appointments where professional competence and personal integrity matter more than political affiliation, personal loyalty, or proximity to the ruling elite.

These expectations reveal something important. They are not abstract expressions of geopolitical preference. Rather, they reflect a perceived institutional gap between the governance Armenia currently has and the governance many of its citizens aspire to see. This gap also represents perhaps the most durable foundation of pro-European sentiment in Armenia – more durable than geopolitical enthusiasm, which can fluctuate in response to regional crises, security concerns, or changing international circumstances.

Yet it is precisely because governance reform reflects the daily functioning of the state that it remains one of the most difficult dimensions of Armenia's partnership with the European Union. Closing the gap requires more than adopting legislation or establishing new institutions. It requires changing the behavior, incentives, and professional culture of thousands of public officials and members of the political leadership whose practical interests do not always align with the principles embodied in reform documents and legal frameworks.

It is equally important to recognise that the Armenian government's desire to demonstrate that it is governing "according to European standards," and society's aspiration for a more "European" Armenia, do not necessarily imply that these reforms must be implemented by Europe itself or can only succeed through European assistance. European partners can provide expertise, resources, and political support. However, the responsibility for transformation ultimately rests with Armenia's own society, its political and economic elites, and its elected government.

Sustainable governance reform cannot be imported. It must emerge from domestic political commitment and public demand. This remains true even when elections are imperfect, where political competition is highly polarised, or when the governing party does not enjoy the confidence of all political forces and social groups as it was also demonstrated during the recent June elections. In democratic systems, institutional legitimacy derives not from universal consensus but from the ability of elected governments to translate political mandates into effective and accountable governance.

At the same time, expectations regarding the transformative impact of Armenia-EU relations should remain grounded in the actual legal and institutional frameworks that define the partnership. This is particularly relevant when assessing the potential impact of European integration on governance standards in Armenia. The central instrument in this regard remains the Comprehensive and Enhanced Partnership Agreement (CEPA).

### **What CEPA Provides – and What It Cannot Substitute For**

More specifically, the Comprehensive and Enhanced Partnership Agreement (CEPA) provides the legal and institutional architecture for regulatory approximation across more than thirty policy areas. European Commission progress assessments for Armenia in 2025-2026 identify tangible advances in areas such as digital governance, public administration modernisation, and competition policy – sectors where economic incentives often reinforce compliance with European standards.<sup>6</sup>

The picture is considerably less encouraging in areas such as judicial independence, anti-corruption enforcement, and broader rule-of-law reforms, however. Successive monitoring reports have repeatedly highlighted persistent shortcomings in these sectors despite notable legislative activity.

This should not come as a surprise. CEPA is not an Association Agreement. The distinction is not merely technical but is also political. Unlike the Association Agreements signed by Georgia, Moldova, and Ukraine in 2014, CEPA does not include a Deep and Comprehensive Free Trade Area (DCFTA), nor does it provide any formal membership perspective. Consequently, it lacks some of the strongest forms of conditionality that have historically driven reform processes in countries endowed with a clearer accession horizon. Although it may also be worth acknowledging that the absence of a formal accession perspective does not necessarily preclude the EU from exercising political influence or encouraging reforms through other

<sup>6</sup>[https://enlargement.ec.europa.eu/document/download/86d20b92-2709-4f91-ba66-86c5d6212ab4\\_en](https://enlargement.ec.europa.eu/document/download/86d20b92-2709-4f91-ba66-86c5d6212ab4_en)

mechanisms.

Rather, CEPA offers a framework for cooperation, convergence, and gradual approximation. It creates opportunities and incentives, but it cannot impose transformation. Armenian policymakers, civil society organisations, and international partners should, therefore, calibrate their expectations accordingly. The agreement can facilitate reform, but it cannot substitute for domestic political will.

## **The Political Economy of Reform Resistance**

A realistic discussion of governance reform in Armenia requires acknowledging an uncomfortable reality: that the primary obstacles to judicial independence and anti-corruption reform are political and partly cultural rather than simply technical.

The challenge is not a lack of expertise. Armenia possesses sufficient professional knowledge, international support, and institutional experience to implement many of the reforms that have been discussed for years. The more difficult question concerns incentives and interests.

As we can also see in many other EU partner countries, sometimes judges whose careers have historically depended upon informal networks of political influence have little reason to welcome reforms that would weaken those networks. Public officials accustomed to discretionary decision-making may perceive greater transparency as a threat rather than an opportunity. Economic actors who benefit from privileged access to state institutions are unlikely to support changes that increase competition and accountability.

Whether fully justified or not, such perceptions matter politically. Similar patterns as already mentioned have been observed across virtually every Eastern Partnership country. The damage they cause stems not only from the possibility of unequal treatment under the law but also from their impact on public trust. Citizens are generally willing to tolerate slow reform but they are far less willing to tolerate the appearance of double standards.

European integration does not automatically generate better governance. At best, it creates an external framework that makes good governance easier to advocate and more difficult to openly oppose. Whether this framework translates into tangible improvements depends overwhelmingly on domestic political conditions: the strength of civil society, the independence of the media, the professionalism of state institutions, the willingness to hold current authorities to the same standards applied to previous governments, and the effectiveness of strategic communication regarding both governance reforms and the broader Armenia-EU relationship.

The outcome of the 2026 parliamentary elections provides the governing “Civil Contract” party with a renewed political mandate. This creates both an opportunity and a responsibility. The government now faces the challenge of demonstrating that Armenia’s European integration agenda genuinely reflects European standards in practice, rather than merely in rhetoric.

Failure to do so would provide critics with increasingly credible grounds to argue that elements of the integration process and approximation to the European standards are being implemented through the selective application of rules and political double standards – particularly in the sensitive sphere of public governance and institutional reform.

The period immediately following the electoral victory of the “Civil Contract” may offer one of the most favorable moments for addressing these concerns. Experiences from several Eastern Partnership countries suggest that governments enjoying electoral legitimacy often possess greater political space to acknowledge criticism, undertake difficult reforms, and engage constructively with dissenting voices. Whether Armenia’s political leadership chooses to use this window of opportunity may prove to be one of the most important determinants of the credibility and sustainability of the country’s European trajectory in the years ahead.

## ANALYTICAL FRAMEWORK – SECTION 3

### Governance: Opportunities & Constraints · CEPA Sector Progress

EC CEPA Progress Report 2026; Freedom House Nations in Transit 2026; TI CPI 2025; ICG Armenia 2025

#### OPPORTUNITIES

- ▶ CEPA provides approximation architecture across 30+ sectors; EU TAIEX and twinning programs fill institutional capacity gaps the Armenian state cannot address domestically
  - ▶ Post-2018 societal demand for governance improvement is genuine and politically durable – it persists even when frustrations with implementation pace accumulate
    - ▶ EU conditionality, even without a membership horizon, gives civil society organisations a legitimate external benchmark to hold governments accountable against publicly
    - ▶ Digital governance and competition law advances are real and documented – creating institutional precedent and experience for harder reforms
    - ▶ Anti-corruption benchmarking links EU financial support to performance, creating external accountability pressure that civil society can amplify through public monitoring

#### CONSTRAINTS

- ▶ CEPA lacks a membership horizon – the feature that has historically sustained reform momentum most effectively; Armenia's reform incentive structure is correspondingly weaker
  - ▶ Selective enforcement of anti-corruption measures damages reform credibility – cases against predecessor-connected figures advance; cases against coalition-connected figures move slowly
    - ▶ Judicial independence at 2.75 (Freedom House 2026) is the weakest single governance indicator; legislative reform has outpaced institutional behavioral change
    - ▶ Communication deficit: EU integration is presented to Brussels more systematically than it is explained to Armenian citizens – 44 percent report inadequate information (IRI 2026)
      - ▶ Reform momentum is tied to one political party or coalition rather than embedded in independent institutions capable of surviving a government change

## Security: An Honest Accounting of What the EU Can – and Cannot – Do

The concept of security within Armenia's political leadership has undergone a profound transformation over the past decade. During previous years, Armenian security thinking was largely dominated by a military-centric paradigm focused on maintaining a regional balance of power with Azerbaijan. Until the events of 2020-2023, the security policy of Armenia was primarily understood through the prism of conventional deterrence, force posture, and regional military-technical competition.

Today, that perception is evolving. While traditional military threats remain relevant, Armenia's political leadership increasingly views security through a broader lens that includes resilience against hybrid, non-kinetic, and institutional threats. Over the past several years, Armenia's security

discourse has undergone a gradual but significant transformation. While conventional military threats remain an important component of national security planning, policymakers increasingly frame security in broader terms that encompass resilience against hybrid threats. Many of these challenges emerge not on the battlefield but within the domestic domain itself: disinformation campaigns, cyber vulnerabilities, foreign political influence, economic coercion, institutional penetration, and attempts to exploit social and political divisions.

The signing of the Washington Agreements in August 2025 and the subsequent initialing of a peace treaty between Armenia and Azerbaijan significantly reduced the immediate perception of large-scale military threats. This does not mean that security concerns have disappeared. Azerbaijan continues to be viewed by significant segments of Armenian society as the principal source of potential hard-security risks. Public perceptions often evolve more slowly than diplomatic realities, and the legacy of recent conflicts remains a powerful factor in Armenia's domestic political debate.

Against this backdrop, the security dimension of Armenia-EU relations requires a particularly careful analysis. Security is probably the area where the gap between Armenian expectations and European institutional realities remains the widest. It is also the area where misunderstandings can produce the most serious political consequences.

Any assessment of the security dimension of Armenia-EU relations must begin with a clear recognition of the European Union's institutional limitations. Unlike NATO or even the Collective Security Treaty Organisation (CSTO), the EU is not a collective defence organization (though we see that the activation of internal EU debates on applicability of Article 42 (7) gradually becomes a more relevant issue for the EU member states) and does not provide security guarantees comparable to those embedded in military alliances. Understanding this distinction is essential for developing realistic expectations regarding the scope and limits of European engagement. The EU will not deploy military forces on Armenia's behalf in the event of armed conflict. This is not a question of political will. It is a consequence of the EU's institutional nature and legal architecture.

At various times, both Armenian government representatives and opposition figures have contributed to public perceptions that blur this distinction. Some supporters of closer European integration have occasionally portrayed EU engagement as a form of security umbrella that Brussels is neither designed nor legally able to provide. Conversely, some critics have pointed to these limitations as evidence that Armenia should return to previous security arrangements centred on Russia, often overlooking the demonstrated shortcomings of those arrangements during the crises of 2020-2023.

Neither interpretation reflects reality. Maintaining a clear distinction between political support, institutional cooperation, and formal security guarantees remains essential for any serious discussion of Armenia's future security and Armenia-EU integration agenda.

This does not diminish the significance of the European Union's growing security role in Armenia, however. The deployment of the European Union Mission in Armenia (EUMA) along the Armenian-Azerbaijani border in 2023 was never intended to serve as a hard-security guarantee, nor did it represent the implementation of formal security obligations toward Armenia. Moreover, no such obligations existed. At most, EUMA functioned as a political deterrence mechanism that increased international visibility on Armenian-Azerbaijani border and raised the political costs associated with potential escalatory actions against Armenia.

Nevertheless, timing matters in international politics. EUMA was deployed during arguably the most dangerous period Armenia faced after the Second Karabakh War of 2020 and prior to the signing of the Washington Agreements in August 2025. Concerns regarding the possibility of renewed military escalation were widespread both within Armenia and among international observers. In that context, the mission's presence served an important stabilizing role, even if its impact should not be overstated.

One of the most consequential aspects of EUMA has been its contribution to international transparency and attracting more external attention. Through its continuous presence along the border, the mission has helped create an independent record of developments on the ground, reducing the scope for competing narratives and increasing the visibility of

incidents to European policymakers. By early 2026, EUMA had conducted more than 4,200 patrol missions along the Armenian-Azerbaijani border, creating a sustained international monitoring presence unprecedented in the history of Armenia's relations with the European Union.

More broadly, EUMA represents something larger than a border-monitoring mission. Its deployment demonstrated a willingness by the European Union to assume a direct and visible role in South Caucasus security affairs. The fact that such a mission operates in a country that is not an EU candidate state, while a Russian military base remains on Armenian territory and Russian border guards continue to participate in the protection of Armenia's borders with Iran and Turkey, reflect the profound transformation that has taken place in Armenia's foreign and security policy environment.

An almost equally important development occurred in April 2026, when the European Union established the European Union Partnership Mission in Armenia (EUPM). While EUMA focuses primarily on monitoring and confidence-building along the border, although having been deployed in a framework of the EU common security and defence policy (CSDP), EUPM addresses a fundamentally different set of challenges. Its mandate is specifically designed to strengthen Armenia's resilience against hybrid threats and improve the capacity of Armenian institutions to manage complex security challenges below the threshold of conventional military conflict through strategic advice, capacity-building, crisis-management planning, interagency coordination, and support for the development of comprehensive resilience mechanisms.

However, the Armenia-EU security relationship extends beyond civilian missions. The European Peace Facility (EPF) has emerged as another significant component of this security cooperation. In July 2024, the European Union approved its first-ever EPF assistance package for Armenia worth €10 million. The measure focused on strengthening logistical capacities within the Armenian armed forces, improving civilian protection capabilities during emergencies, and supporting Armenia's participation in international peace-support operations. The package included the provision of a deployable battalion-sized unit and associated logistical infrastructure.

Although modest compared to traditional military assistance programmes, the political significance of this decision was considerable. For the first time, the European Union provided direct security assistance to Armenia through one of its principal security instruments. The package did not include lethal weapons or offensive military capabilities, but it established an important precedent.

That precedent was expanded in January 2026, when the European Council approved a second EPF assistance measure worth €20 million. This second aid package was designed to upgrade logistical support from the battalion to brigade level, improve resilience and operational preparedness, and strengthen the crisis-response capabilities of the Armenian armed forces. Combined with the earlier package, total EPF assistance to Armenia reached €30 million by early 2026.

These figures remain relatively modest when compared with bilateral military assistance provided by major EU powers. Yet their importance should not be measured solely in financial terms. The EPF measures represent the first institutionalised defence-related assistance framework between Armenia and the European Union. They also demonstrate a level of practical security engagement that, until recently, was more commonly associated with EU candidate countries or close EU NATO member partners than with states of the Eastern Partnership.

Similarly important are emerging areas of cooperation focused on hybrid threats, cybersecurity, crisis management, strategic communications, critical infrastructure protection, and institutional resilience. Indeed, the European Union's most durable contribution to Armenia's security may ultimately prove to be neither deterrence nor defence assistance. It may be resilience.

An Armenia with independent courts, professional state institutions, diversified economic and energy partnerships, independent media, open and productive engagement of the international non-state and civil society actors and greater public trust in democratic institutions is inherently more secure than an Armenia dependent solely on formal security guarantees that may or may not be honored during a crisis. From this perspective, security cooperation and governance reform should not be viewed as separate tracks. They are increasingly interconnected.

By 2026, Armenia's cooperation with the European Union in the security sphere – including EUMA, EUPM, EPF assistance measures, hybrid-threat resilience programmes, crisis-management initiatives, and growing bilateral defence cooperation with several EU member states – has reached a level of engagement that only a decade ago would have been associated primarily with EU candidate countries or close NATO partners.

Looking ahead, some of the most promising areas of Armenia-EU security cooperation may emerge outside the traditional defence sphere altogether. Enhanced cooperation between Armenian law-enforcement institutions and Europol, deeper engagement with Frontex on border-management issues, expanded cooperation in combating organised crime, cybercrime investigations, counter-terrorism coordination, anti-money laundering mechanisms, customs modernisation, and judicial cooperation all offer unique opportunities for practical and mutually beneficial engagement.

These forms of cooperation may attract less public attention than military issues, but their long-term impact on Armenia's security architecture could prove equally significant. In many European states, the effectiveness of policing, border management, intelligence coordination, and crisis response contribute more directly to everyday security than conventional military capabilities.

Ultimately, the European Union cannot provide Armenia with what military alliances traditionally provide. But neither is that the role it seeks to play. The EU's comparative advantage lies elsewhere: strengthening institutional resilience, reducing vulnerability to hybrid threats, supporting democratic governance, enhancing state capacity, and helping create the conditions under which security becomes sustainable rather than merely reactive.

For Armenia, clearly understanding this distinction and implementing policies accordingly may be one of the most important prerequisites for developing a more realistic, mature, and effective European security partnership in the future. Such an approach may ultimately prove more valuable than pursuing rather unrealistic expectations of security guarantees that the European Union was never designed to provide.

## ANALYTICAL FRAMEWORK – SECTION 4

### Security Dimension: Opportunities & Constraints

EUMA Operations 2026; EPF Decision 2023; EUPMA Deployment 2026

#### OPPORTUNITIES

- ▶ EUMA's 4,200+ patrol missions create a documented incident record and raise political costs of low-level escalation – offering a measurable political deterrent effect within its civilian mandate
- ▶ Hybrid threat advisory mission (EUPMA) addresses the most probable actual threat vector: institutional subversion, disinformation, electoral interference – EU expertise is directly applicable
- ▶ European Peace Facility (€10.85M) enables capacity-building without NATO membership or formal candidacy requirements
- ▶ EU's institutional stake in Armenia's stability creates political costs for destabilisation that are real even if they are not military in nature
- ▶ EUMA's public reporting builds the international documentary record relevant to Armenia's diplomatic positioning in any future security crisis

#### CONSTRAINTS

- ▶ EU still cannot provide effective collective defence – both government and civil society bear responsibility for communicating this honestly
- ▶ EUMA is civilian and monitoring-only – it cannot prevent military action and has no mandate to do so
- ▶ Council consensus requirement for EUMA renewal is a structural vulnerability: one member state under external pressure can block continuation
- ▶ Overinflated security expectations – present in government communication and some pro-European civil society discourse – create a credibility trap when reality catches up
- ▶ EU member state policy divisions over Russia, Turkey, and the priority of the South Caucasus are real; the partnership's security dimension depends on a coalition of political will across 27 governments that is not guaranteed

### Economics: Real Opportunities and Real Costs

Armenia's recent macroeconomic performance presents a picture that is, at first glance, more robust than underlying structural conditions would justify. Following unusually high GDP growth of 8.7 percent in 2023 and 5.9 percent in 2024, driven in large part by re-exports, capital inflows, and business relocation associated with the Russia-Ukraine war and subsequent Western sanctions on Russia, economic growth is projected to moderate toward a more sustainable medium-term trajectory of around 5.2 percent increase in GDP for 2025 and 4.7 - 5.0 percent in the following years as these temporary external drivers decrease.<sup>7</sup>

<sup>7</sup><https://www.worldbank.org/en/country/armenia/publication/armenia-economic-pulse-fairer-markets-for-inclusive-growth>

But the Armenian economy is also heavily shaped by a temporary relocation effect following Western sanctions on Russia. The inflow of Russian firms, capital, and skilled labour boosted services, ICT, and real estate, but much of this growth is cyclical rather than structural. The IMF has repeatedly cautioned that this “relocation dividend” is unlikely to persist at current levels and that Armenia will need a fundamentally different growth model once these effects stabilize.

This makes the question of EU economic engagement less abstract than it may appear. It is not simply about geopolitical orientation; it is about whether Armenia can replace short-term, externally driven growth with longer-term productivity gains rooted in institutional reform, trade expansion, and investment flows.

One of the clearest areas where this transition is already visible is the IT sector. Contributing roughly 5-6 percent of GDP and growing at over 20 percent annually, Armenia’s technology industry is already partially embedded in European and global value chains. A significant share of Armenian IT firms operates under EU-compatible standards, and further alignment with frameworks such as the EU General Data Protection Regulation (GDPR) would meaningfully expand access to European corporate clients, particularly in outsourced services, fintech, and data-driven industries. In practice, regulatory convergence is increasingly becoming a market access precondition rather than a purely legal exercise.

At the same time, Armenia’s economic structure remains constrained by its membership in the Eurasian Economic Union (EAEU) as well as from its reliance on the Russian market in terms of bilateral trade. This framework limits the country’s autonomy in setting external tariffs, negotiating independent trade agreements, and aligning fully with EU regulatory standards in areas where EAEU rules diverge. In structural terms, Armenia cannot simultaneously participate in any deep EU-style free trade frameworks or agreements while remaining within the EAEU customs regime. This is not a political argument but a legal-institutional constraint embedded in the architecture of the European Union itself.

These constraints are reinforced by Russia’s continued leverage over key

sectors of the Armenian economy. Energy dependence remains significant, with Russian gas still forming a central component of Armenia's supply mix. Trade flows within the EAEU remain important for agricultural producers and small industrial exporters. In addition, labour migration continues to play a stabilising role in household incomes, with remittances still representing a sizable share of income in many regional communities. These linkages create structural dependencies that cannot be ignored in any realistic discussion of economic reorientation.

The costs of changing this framework should therefore be stated clearly. A rapid or unmanaged disengagement from the EAEU would likely generate shocks in energy pricing, export access, and household income, particularly outside Yerevan. This is not an argument against diversification, but rather an argument against any strategic denial about the sequencing and adjustment costs resulting from such a move.

Recent developments in Armenia–Russia–EAEU relations have further highlighted these structural tensions. In the run-up to and following the 2026 parliamentary elections and the Yerevan European summits, Moscow increased political and economic pressure. Reports of trade restrictions, administrative barriers affecting Armenian exports, and heightened scrutiny of Armenian goods within EAEU structures were widely interpreted in Yerevan as elements of economic coercion. At the political level, senior EAEU representatives also publicly raised the issue of Armenia's continued membership, with calls for a national referendum on the country's EAEU status and assertions that deeper EU alignment is incompatible with Armenian participation in the Eurasian Economic Union. While not formal sanctions in the strictly legal sense, these measures contributed to a perception of increased economic conditionality being applied through EAEU mechanisms.

According to Armenian Central Bank Governor Martin Galstyan, Russia's recent import restrictions on Armenian goods could reduce Armenia's GDP by as much as 2 percent under a pessimistic scenario in which affected producers are unable to secure alternative export destinations.<sup>8</sup>

<sup>8</sup>[https://www.armenianclub.com/2026/06/16/central-bank-governor-outlines-possible-consequences-of-restrictions-on-armeni/?utm\\_source=chatgpt.com](https://www.armenianclub.com/2026/06/16/central-bank-governor-outlines-possible-consequences-of-restrictions-on-armeni/?utm_source=chatgpt.com)

The restrictions have affected several export-oriented sectors, including flowers, fresh fruit and vegetables, fish products, mineral water, wine, and brandy, many of which have traditionally relied heavily on access to the Russian market. In response, the Armenian government moved relatively quickly to introduce urgent support measures for affected producers and exporters, including subsidy mechanisms, market diversification initiatives, and efforts to facilitate access to alternative export destinations. While these measures are unlikely to fully offset the immediate economic impact, they reflect a broader policy effort aimed at reducing Armenia's structural dependence on any single external market, strengthening economic resilience, and accelerating the diversification of Armenia's trade relations.<sup>9</sup> Against this background, the European Union's economic role in Armenia has become more visible and more strategically significant. The EU-Armenia Strategic Agenda explicitly prioritises trade diversification as a means of reducing structural dependencies and increasing economic resilience. In parallel, it creates new opportunities for European firms in a range of sectors including infrastructure, renewable energy, digital services, and agriculture.

The centrepiece of this EU engagement has been the €270 million Resilience and Growth Plan (RGP) for 2024–2027, first announced in April 2024. The plan includes €200 million in grants to support governance-related reforms, socio-economic resilience, and sectoral modernisation, as well as €70 million in investment grants specifically targeting connectivity, energy transition, transport infrastructure, and private sector development. This represents a significant increase in EU financial engagement compared to previous programming cycles and reflects a gradual shift from technical assistance to investment-oriented support.<sup>10</sup>

Beyond direct budgetary support, the broader investment framework under the EU's Global Gateway strategy has expanded rapidly. Since <sup>2024</sup>, the

<sup>9</sup>"EU Readies Trade Relief for Armenia after Russian Import Bans", FT, 17 June, 2026, <https://www.ft.com/content/82c8ca57-a4ba-4387-a4a9-d6e020317610?syn-25a6b1a6=1>

<sup>10</sup>[https://www.eeas.europa.eu/sites/default/files/documents/2024/STR\\_EU-AM%20Growth%20plan%20V3.pdf](https://www.eeas.europa.eu/sites/default/files/documents/2024/STR_EU-AM%20Growth%20plan%20V3.pdf)

combined EU-backed investment portfolio in Armenia is estimated to exceed €2.5 billion, roughly equivalent to 10 percent of Armenia's GDP. These investments are concentrated in small- and medium-sized enterprises (SMEs), transport corridors, energy efficiency, digital infrastructure, water management, and education. While often fragmented across different instruments, their strategic intent is increasingly coherent: to integrate Armenia more deeply into European economic networks while reducing its exposure to external shocks.

The potential economic benefits of closer alignment with the EU are not limited to investment flows, however. They also include more tangible, individual citizen-level gains as well. Partial regulatory convergence and deeper access to EU markets can increase export revenues for small- and medium-sized enterprises, raise labour productivity in export-oriented sectors, and improve consumer welfare through higher standards and competition. Over time, these effects are also closely linked to overall poverty reduction.

Armenia's poverty rate, which remains significant despite recent growth, is particularly sensitive to employment quality, regional inequality, and access to stable income sources. World Bank and Statistical Committee of Armenia data indicate that approximately 23-25 percent of the population remained below the national poverty line in 2022-2023, with significantly higher incidence in rural regions compared to Yerevan. EU-supported programmes in rural infrastructure, education, and SME financing – particularly under the 2024-2027 Resilience and Growth Plan – are beginning to address these structural constraints, although their effects remain gradual and largely limited to the medium-term.<sup>11</sup>

It is also important to note that Armenia's economic significance to the EU is not determined by its small size. With GDP estimated at approximately \$<sup>25.8</sup> billion in <sup>2024</sup>, Armenia is a relatively small economy. However, it occupies a strategically important position within the EU's Eastern Partnership framework. The EU is currently Armenia's fourth-largest trading partner

<sup>11</sup>World Bank, Poverty and Equity Data Portal: Armenia; Statistical Committee of the Republic of Armenia, Social Snapshot and Poverty in Armenia; EEAS, A Resilience and Growth Plan for Armenia 2024-2027.

overall and accounts for roughly 4–5 percent of Armenian exports. More importantly, its role is expanding in sectors linked to value-added production rather than simply commodity trade, which increases the long-term strategic relevance of the relationship.

The central trade-off remains clear. The EAEU framework provides continuity, market access, and stability, but at the cost of regulatory autonomy and deeper integration with the European economic space. The EU framework offers greater diversification but requires sustained reform effort and careful management of transition costs.

The real question, ultimately, is not whether Armenia “chooses” between the two economic models in a declarative sense. It is how the country manages the very real tension and contradiction between them in practice. That means sequencing reforms in a way that does not shock the system, cushioning the social costs where they fall hardest, and making sure that the benefits of diversification are not captured only by a narrow group of firms, sectors, or urban centres.

For most people, especially outside Yerevan, the European dimension of economic policy will not be judged in abstract terms of trade statistics or strategic frameworks, but in more concrete terms: whether jobs become more secure, whether incomes become more stable, and whether opportunities start to feel more evenly distributed. In that sense, the success of Armenia’s economic trajectory toward Europe will depend as much on how it is experienced inside the country as on how it is designed in Brussels or Yerevan.

# ANALYTICAL FRAMEWORK – SECTION 5

## Economy: Sector Assessment, Opportunities & Constraints

EBRD Transition Report 2025; IMF Armenia Article IV 2025; World Bank Armenia 2026; EEU Treaty 2014

### SECTOR-BY-SECTOR ASSESSMENT

Sector	EU Interest	Armenia Readiness	EEU Barrier	5-yr Potential
IT / Digital services	High	High	Low	High
Renewable energy	High	Medium	Medium	High
Agriculture / food	Medium	Medium	Medium	Medium
Manufacturing (FDI)	Low	Low	High	Low
Financial services	Medium	Low	High	Medium
Tourism	Low	High	Medium	Medium
Green transition	High	Low-Med	Medium	High

### OPPORTUNITIES

- ▶ IT sector (5.5 percent GDP, 20 percent + annual growth) already EU-integrated; GDPR alignment and digital single market participation expand this without requiring EEU resolution
- ▶ Renewable energy investment addresses Armenia's most acute strategic vulnerability – Russian gas dependence – with strong EU financial support under the Resilience and Growth Plan

### CONSTRAINTS

- ▶ EEU Treaty obligations prevent comprehensive trade integration – this is a legal constraint that goodwill and political declarations cannot override
  - ▶ Closed borders with Turkey and Azerbaijan eliminate two adjacent markets and impose logistical costs across most export categories

### OPPORTUNITIES

- ▶ Resilience and Growth Plan (€270M grants and loans) provides conditioned EU financing tied to documented reform progress
  - ▶ EBRD and EIB offer long-term patient capital at rates domestic financing cannot match – critical for energy and infrastructure investment
  - ▶ EU GSP+ tariff preferences provide market access benefits that do not require EEU exit and are already available to Armenian exporters

### CONSTRAINTS

- ▶ Brain drain: visa facilitation and Erasmus+ mobility benefit individuals but theoretically reduce the skilled labour pool that domestic economic modernisation requires – a trade-off that deserves honest communication
  - ▶ Investment climate weaknesses – judicial uncertainty, contract enforcement gaps – reduce Armenia's attractiveness to risk-sensitive European capital even where tariff barriers do not apply
    - ▶ Russian economic pressure is a realistic and probable response to accelerated EU orientation; households and businesses outside Yerevan are most exposed to this risk

## Lessons from Georgia, Moldova, and Ukraine

Three Eastern Partnership countries – Georgia, Moldova, and Ukraine – have signed Association Agreements with the European Union and subsequently obtained candidate status for EU membership. Their experiences offer Armenia neither a model to be mechanically replicated nor a cautionary tale to be selectively invoked. Rather, they provide a cumulative body of evidence – uneven, politically contested, sometimes internally contradictory, and still unfolding – about what EU integration delivers when it interacts with post-Soviet political economies, domestic power struggles, external pressure, and the inherently difficult nature of institutional reform.

A careful reading of these cases is therefore more useful than selective citation, which both proponents and critics of Armenia’s European trajectory have at times been inclined to do in order to confirm pre-existing positions.

Across all three countries, one pattern appears with particular consistency: the persistent gap between formal institutional alignment with EU standards and the actual behavior of domestic institutions, political practices and culture. This gap is not accidental. It reflects the fact that legislative approximation in post-Soviet countries in general is comparatively easier than transforming the underlying political economy in which the institutions operate.

For example, Georgia, despite adopting extensive EU-compatible legislation across multiple sectors, has continued to face recurring concerns regarding judicial independence and the political vulnerability of its court system. Moldova has established anti-corruption institutions that, while formally robust, have often struggled with slow progress in politically sensitive cases and with maintaining consistent enforcement through changing governments. For its part, Ukraine has created some of the most institutionally independent anti-corruption bodies in the region – such as the National Anti-Corruption Bureau of Ukraine (NABU) – but has simultaneously experienced sustained political pressure aimed at constraining their mandate, influence, and operational autonomy in the current political context.

What emerges from these Eastern Partnership countries’ experience is not institutional failure, but institutional tension: reform frameworks are

real, legally binding, and often deeply transformative in design. At the same time, domestic political resistance is equally real, and frequently adaptive. It does not disappear in response to legal harmonisation; it adjusts, reshapes itself, and often transforms into less visible forms of influence.

For Armenia, the most important lesson is not normative but operational: EU integration does not eliminate domestic political confrontation over institutions – it intensifies it. Reforms create winners and losers within the political and economic system, and those affected rarely remain passive. As a result, the implementation phase of EU-oriented reforms is typically more politically sensitive than the legislative phase.

This demonstrates that Armenia should expect similar dynamics of friction between formal commitments and practical implementation. It also suggests that the sustainability of reform will depend less on the adoption of EU-compatible legislation and more on the existence of domestic mechanisms capable of monitoring enforcement, documenting deviations, and maintaining public and institutional pressure for compliance over time.

In this sense, Armenia-EU integration should be understood less as a linear convergence process and more as a prolonged period of domestic institutional and sometimes external political stress-testing. Whether this process produces durable improvements depends on factors that are largely internal: the resilience of civil society, the independence of oversight institutions, the political cost of non-compliance, and the degree to which reforms are embedded in domestic political competition rather than treated as externally driven commitments.

Armenia, like other Eastern Partnership countries, should, therefore, approach EU integration not as a technical alignment exercise, but as a politically contested process of institutional transformation. The key question is not whether reforms are formally adopted, but whether they can be sustained under conditions of political pressure, shifting governments, and competing domestic interests. In that respect, the experiences of Georgia, Moldova, and Ukraine are less a map of where Armenia will go and more a realistic illustration of the difficult political and institutional terrain it will have to navigate.

## Case Study: Georgia

Georgia's Association Agreement entered into force in 2014 and produced documented economic results: EU-Georgia trade increased by over 35 percent between 2014 and 2019, agricultural exports expanded substantially, and Georgia achieved visa-free Schengen access in 2017. These facts establish that the EU framework can deliver tangible economic and mobility benefits even for a small, geographically constrained country.

The governance trajectory is the instructive part. The Georgian Dream government's consolidation after 2012 introduced an approach to EU reform commitments that was formally compliant but substantively selective: civil society formally supported it while being quietly marginalised; the judiciary was formally reformed while continuing to serve political interests. The passage of multiple so called "foreign agent laws" of 2023-2024 targeting civil society organisations receiving foreign funding crystallized years of gradual backsliding. The Georgian EU accession candidate discussions was suspended.

For Armenian civil society, the Georgian lesson is specific: the EU will eventually enforce conditionality, including a threat to suspend engagement when the gap between formal commitments and actual practice becomes undeniable. Economic integration gains do not provide immunity. And the civil society organisations that were progressively squeezed were precisely those that had been monitoring and documenting the gap. Civil society's monitoring capacity is not peripheral to EU integration – it is what helps makes conditionality function.

## Key Lessons for Armenia

- EU-DCFTA trade integration gains are documented: 30 percent+ trade volume growth within five years is a Georgian outcome (and these figures could be even more impressive if the Georgian government had not chosen to recalibrate toward the Russian market in recent years), not a projection – applicable to Armenia in the sectors where CEPA permits deep integration;

- Visa-free Schengen access is achievable and politically powerful; Georgia's 2017 achievement followed years of focused technical compliance work, not political declarations;

- The EU will enforce conditionality – economic gains do not create immunity; civil society documentation of the gap between formal commitments and actual practice is what activates enforcement;

- Selective anti-corruption enforcement corrodes reform credibility faster than the absence of reform – prosecuting predecessors while protecting current allies is a pattern the EU monitoring apparatus eventually

## Case Study: Moldova

Moldova is structurally the closest comparator to Armenia’s situation: small, economically fragile, deeply penetrated by foreign political and economic influence, with a large diaspora in EU member states and a history of oscillating between pro-European and pro-Russian governments. President Maia Sandu government’s reform momentum since 2020 has been genuinely impressive - anti-corruption prosecution resumed against figures connected to the 2014 banking scandal, a fraud case in which approximately \$1 billion disappeared from Moldovan financial institutions. Moldova received EU candidate status in June 2022, opened accession talks in 2024 and in 2026, opened first chapter negotiations.

The less comfortable part of Moldova’s story: reform speed has at times outpaced implementation quality, creating formal compliance that exceeds practical enforcement capacity. Civil society, while stronger than a decade ago, remains weak relative to the scale of transformation being attempted. And Moldova’s structural economic dependence on EU-based remittances – from approximately one million Moldovans in Romania, Italy, and Germany – sustains household incomes while reducing pressure for domestic job creation and economic reform. Armenia’s analogous dependence on Russian-based remittances creates a different but structurally similar dynamic.

The most important Moldovan lesson for Armenia is about the timing. The Sandu government’s reform window coincided with a historically unique geopolitical configuration – Russian preoccupation with its war over Ukraine, EU candidate status momentum, and sustained Western political engagement. That configuration created the specific conditions for reform at

a speed that would not have been possible under normal circumstances. Armenia faces a comparable window. How long it remains open is a variable neither Yerevan nor Brussels controls.

### Key Lessons for Armenia

- EU candidate status creates qualitatively different reform dynamics – sharper conditionality, more intensive technical engagement, higher political stakes; Armenia should actively pursue the nearest functional equivalent available under its CEPA framework as it is now eligible for the same level of EU institutional support and policy engagement extended to the most advanced Eastern Partnership and associated post-Soviet partners;
- Diaspora remittance dependence sustains households while reducing pressure for domestic economic reform – Armenia’s analogous Russian-based and partly Western-based remittance dependence requires the same honest analysis, although it should be admitted that in contrast to the Moldova case, the Armenian citizens in Diaspora are not allowed to vote in Armenian elections;
- Reform windows created by the unique geopolitical configurations are time-limited; consolidating institutional gains before the configuration changes is the strategic priority.

### Case Study: Ukraine

Ukraine’s experience is the most extreme in the Eastern Partnership and the least directly applicable to Armenia’s situation – because the war with Russia has overwhelmed the normal dynamics of integration in ways that make comparison unreliable in most respects. Ukraine’s DCFTA experience before February 2022 produced documented results – substantial EU trade growth, agricultural export expansion, and measurable governance improvements through the NABU and the National Agency on Corruption Prevention (NACP). These are pre-war outcomes that established the EU framework’s economic potential independently of the conflict.

Ukraine’s most instructive contribution to Armenia’s strategic analysis is structural: Ukraine pursued EU integration for a decade without the security framework that might have made its geopolitical trajectory less dangerous.

Russia's 2022 war calculus was shaped partly by the assessment that Ukraine's full integration into Western institutional structures would permanently close a strategic option. Armenia operates in a structurally analogous environment – different actors, different specifics, but the same basic dynamic of external pressure on EU-oriented trajectories. Security and institutional reform cannot be decoupled and addressed sequentially.

### Key Lessons for Armenia

- NABU/NACP institutional design – independent, externally monitored, with genuine prosecutorial capacity – is an applicable model for strengthening Armenia's anti-corruption architecture;
- Ukrainian civil society's public monitoring function, sustained through different political periods, is the template for what Armenian civil society organisations should be building – not advocacy for the European direction, but rigorous documentation of whether the substance follows the rhetoric;
- Security and EU integration cannot be sequenced: building institutional ties without addressing the security architecture is a structural vulnerability, not a calculated gamble, as the 2022 Ukraine precedent illustrates;
- Pre-war DCFTA economic gains were real and documented – the benefits of EU trade integration do not require a security catastrophe to materialise; they also do not materialise automatically.

# COMPARATIVE FRAMEWORK

## Eastern Partnership Integration: Cross-Country Assessment 2026

Freedom House Nations in Transit 2026; EBRD Transition Report 2025; EC Progress Reports 2026

### KEY INTEGRATION INDICATORS – COMPARATIVE ASSESSMENT

Dimension	Georgia	Moldova	Ukraine	Armenia (2026)
Association Agreement	Yes (2014)	Yes (2014)	Yes (2014)	CEPA only
DCFTA / deep trade	Full DCFTA	Full DCFTA	Full DCFTA	None (EAEU)
EU candidate status	Negotiations suspended 2024	Granted 2022	Granted 2022	Not yet
Visa-free Schengen	Since 2017	Since 2014	Since 2017	Not yet
Reform trajectory	Deteriorating	Strong 2021+	War-driven	Positive/contested
Judicial independence	Partial	Improving	Partial	Weak
Anti-corruption	Selective	Accelerating	NABU/NACP	Selective
EEU membership	No	No	No	Yes (binding)
Civil society strength	Strong	Growing	Strong	Moderate
Domestic political stability	Fragile 2024	Stable 2021+	War consolidation	Contested

## The Realistic Agenda: Priority and Sequence

The following represents an honest attempt to assess what EU-Armenia cooperation can realistically deliver for Armenia and its citizens over the next decade – calibrated against the structural analysis of this paper and the comparative record presented above.

### Visa Liberalisation: The Priority That Cannot Slip

The International Republican Institute (IRI) 2026 survey identifies freedom of movement to EU member states as the single most concretely desired benefit of European integration among Armenians aged 18 to 45. Georgia achieved visa-free Schengen access in 2017; Moldova did so in 2014. Armenia remains behind both, however, particularly in the areas of migration management, asylum processing, and document security standards.

Besides the relevant state agencies, Armenian civil society also has a direct role in this process. EU visa liberalisation benchmarks explicitly include

anti-corruption performance, human rights monitoring, and the functioning of independent civil society organisations – all of which contribute to the European Commission’s technical assessment. In this sense, systematic and evidence-based monitoring by NGOs is not a peripheral activity but is part of the functional architecture of the visa liberalisation process itself.

### **Visa Liberalisation: The Priority That Cannot Slip**

Almost every other EU integration priority – from the investment climate and contract enforcement to anti-corruption and the rule of law – ultimately depends on judicial independence. This is also the area where political resistance is strongest, where EU leverage is structurally more limited in the absence of a membership perspective, and where the gap between formal legislative alignment and actual institutional behavior remains widest. The EU’s influence in this field relies primarily on technical assistance, governance-related financial conditionality, and regular assessments by institutions such as the Council of Europe’s Venice Commission and other European monitoring mechanisms. At the same time, judicial reform remains particularly sensitive because it directly affects entrenched political and economic interests that may benefit from existing institutional arrangements.

Experience from across the Eastern Partnership suggests that judicial reform is not a technical sub-component of governance reform; it is its core constraint. For Armenia, civil society engagement in this field is therefore most effective when it focuses on concrete indicators: the judicial appointment processes, patterns in case allocation and outcomes, and compliance with Venice Commission standards. In practical terms, this type of monitoring is more consequential for EU integration outcomes than any general advocacy in favor of a European orientation.

Equally important is the question of public trust, as formal guarantees of judicial independence are unlikely to produce sustainable results without

broader public confidence in the fairness, impartiality, and integrity of the justice system. In Armenia's current reform context, where significant legislative changes have already been adopted but public perceptions of judicial effectiveness remain mixed, strengthening both institutional performance and public legitimacy will be critical for the long-term credibility of the reform process.

### **Energy: Strategic and Economic Simultaneously**

EU-supported renewable energy expansion could substantially reduce Armenia's dependence on imported natural gas while strengthening energy security and lowering long-term import costs. According to the World Bank, IEA, and EBRD assessments, Armenia possesses sufficient solar and renewable energy potential to significantly increase domestic electricity generation over the next decade, with corresponding reductions in fuel import requirements and external energy vulnerabilities.

This is also one of the few sectors where reforms simultaneously advance economic efficiency, energy security, and geopolitical diversification. Unlike in some other domains, implementation here is measurable, technically verifiable, and closely linked to specific commitments under the EU-Armenia Resilience and Growth Plan. Civil society monitoring in this area is therefore most effective when focused on project-level delivery, procurement transparency, and infrastructure timelines rather than on broad policy declarations.

### **Digital Economy: Building on What Already Works**

Armenia's digital sector remains one of its most dynamic economic areas, already accounting for a significant and growing share of GDP and already partially integrated into European and global value chains. Compared to other sectors, it is also less constrained by EAEU regulatory limitations, which makes it a natural entry point for deeper EU economic integration.

Further alignment with EU standards – particularly GDPR compliance,

participation in Horizon Europe programmes, and the adoption of cybersecurity and digital governance frameworks – could significantly expand access to higher-value contracts in outsourcing, fintech, and data services.

Beyond export growth, this trajectory also has an important domestic effect: it supports high-skilled employment creation and partially offsets long-term brain drain pressures, including those potentially intensified by visa liberalisation.

### **Strategic Communication and Raising Awareness of the EU Integration Dynamics**

A key structural challenge in Armenia-EU integration is the limited public understanding of what the process actually involves. While general support for a European orientation is relatively strong in Armenia, it is often based on broad perceptions rather than clear awareness of specific policies, timelines, and trade-offs.

This creates a gap between expectations and implementation. When reforms progress slowly or benefits are uneven, this gap can lead to frustration and weaken trust in the integration agenda. Communication efforts remain largely external, focused on EU institutions and actors, while internal Armenian outreach is less developed, especially in regional communities outside Yerevan, where the impact of reforms is felt differently.

To be effective, communication should be treated as part of the reform process itself. This means explaining not only expected benefits, but also conditions, sequencing, and constraints, and engaging more systematically with local governments, SMEs, professional groups, and regional stakeholders. Civil society and media already contribute to translating complex reforms, but their impact is limited without consistent state-led communication. In this sense, strategic communication is not secondary but an enabling condition for sustaining the EU-Armenia integration process, particularly given its gradual and uneven nature.

# ANALYTICAL FRAMEWORK – SECTION 7

## Societal Dimension, Visa Progress & Strategic Timeline

IRI Armenia 2026; EC Visa Liberalisation Report 2026; EC Resilience & Growth Plan 2026; EC CEPA 2026

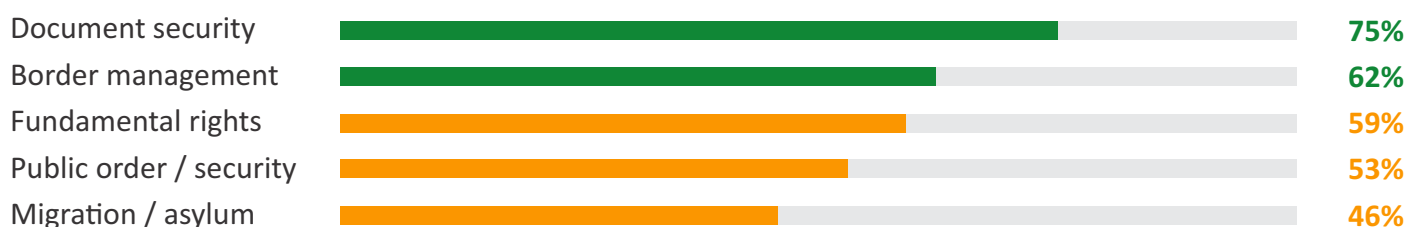
### OPPORTUNITIES

- ▶ Visa-free Schengen: the most concretely demanded near-term deliverable (IRI 2026); achievable within 3–4 years with sustained compliance; civil society monitoring of benchmarks directly contributes to the Commission assessment process
  - ▶ IT sector digital single market integration: commercially motivated, technically feasible, largely EEU-exempt – the most reliable near-term economic pathway
  - ▶ Renewable energy diversification: strong EU financing availability, genuine cross-political interest alignment, strategic co-benefits that persist regardless of government change
  - ▶ Erasmus+ and Horizon Europe: build human capital and institutional networks that outlast any specific government and compound in value across electoral cycles
  - ▶ Armenian diaspora in the EU: a political advocacy and investment channel that deep societal connectivity

### CONSTRAINTS

- ▶ Visa liberalisation benefits individuals but reduces skilled labour supply; this trade-off deserves honest public communication rather than being treated as a criticism of the European direction
  - ▶ EU sentiment is broad but shallow – 44 percent inadequately informed about CEPA requirements (IRI 2026); this is a civil society education gap as much as a government communication failure
  - ▶ Rural-urban EU sentiment gap: IRI 2026 documents a 20+ percentage-point difference between Yerevan and smaller cities – a vulnerability that creates incentives for opposition mobilisation against the European direction if distributional benefits do not reach non-Yerevan populations
  - ▶ Elite capture risk: 52 percent worried integration primarily benefits elites (IRI 2026); without visible distributional evidence reaching ordinary households, this risk becomes a self-fulfilling political narrative
  - ▶ Reform fatigue is real: expectations raised by 2018 have not been met at the pace implied; sustained public engagement requires tangible early wins, not more summits

## VISA LIBERALISATION BENCHMARK PROGRESS — EC VISA LIBERALISATION PROGRESS REPORT 2025–2026



## **Conclusion: Strategic Patience and the Long Way of Partnership**

Armenia's relationship with the European Union has reached a stage where the central question is no longer whether cooperation will continue, but how far and how sustainably it can develop. The past several years have demonstrated that both sides possess the political will necessary to deepen engagement across a remarkably broad range of sectors. Governance reform, economic modernisation, security cooperation, connectivity, energy diversification, and people-to-people contacts have all become integral parts of a partnership that is considerably more ambitious than the one envisaged when CEPA was first signed in 2017.

The progress achieved should not be understated. Armenia today enjoys a level of political engagement with the European Union that places it among the most active partners in the Eastern Partnership framework. The deployment of EUMA, the establishment of EUPMA, the expansion of financial assistance through the Resilience and Growth Plan, growing security cooperation, and the opening and developing of a visa liberalisation dialogue all point toward a relationship that has moved well beyond traditional European neighborhood policy.

At the same time, this report has argued that the most important challenges facing Armenia's European trajectory are increasingly domestic rather than external. Democratic consolidation remains incomplete. Judicial independence remains fragile. Public trust in institutions remains uneven. Economic diversification remains a strategic necessity rather than an accomplished fact. These challenges are not unique to Armenia. They have accompanied every major integration process in the post-Soviet space. The experiences of Georgia, Moldova, and Ukraine demonstrate that institutional reform is not a destination reached through legislative adoption, but a continuous process of political negotiation, implementation, correction, and oversight.

Perhaps the most important lesson from these experiences is that European integration succeeds when it becomes a societal project rather than the agenda of a particular government or political party. Electoral cycles matter, governments change, political priorities evolve. Sustainable European integration requires institutions and public constituencies capable of maintaining reform momentum regardless of political circumstances.

For this reason, the ultimate measure of success will not be the number of agreements signed, summits hosted, or declarations adopted. It will be whether ordinary citizens experience tangible improvements in the quality of governance, economic opportunity, public services, and personal mobility. The legitimacy of the European project in Armenia will depend less on geopolitical narratives than on practical outcomes.

The coming decade is therefore likely to be defined less by dramatic breakthroughs than by gradual accumulation. Progress will often be uneven. Some reforms will advance faster than others. External and security pressures will persist. Political and societal resistance will remain a constant feature of the process. None of this should be viewed as evidence of failure. It reflects the reality of institutional transformation within democratic societies.

Armenia does not face a choice between Europe and its own interests. Rather, the European framework offers one of the most credible instruments currently available for advancing many of Armenia's own long-term objectives: stronger institutions, greater resilience, broader economic opportunities, enhanced sovereignty, and a more predictable future for its citizens.

Achieving those objectives will require strategic patience, political consistency, and a willingness to view Armenia-EU integration not as a single event, but as a long-term process.

## STRATEGIC TIMELINE – REALISTIC MILESTONES OF THE ARMENIA-EU COOPERATION BY PERIOD

1

2025–2026 · ESTABLISHED

### Political framework consolidation

Washington peace framework (Aug 2025); EPC and EU-Armenia bilateral summit, Yerevan (May 2026); EUMA renewal; EUPMA operational. Political profile of the partnership at historical peak.

2

2026–2028 · PRIORITY DELIVERY

### Visa liberalisation completion; CEPA deepening; energy diversification

Complete migration/asylum visa benchmark – the critical remaining gap; CEPA mid-term review with strengthened conditionality; first EU-backed renewable projects operational; Resilience and Growth Plan mid-term disbursements conditional on documented reform progress.

3

2028–2031 · MEDIUM-TERM

### Visa-free access; IT integration; judicial reform milestone

Visa-free Schengen if benchmarks sustained across at least one electoral transition – the key test of institutional durability; deeper IT integration with EU digital frameworks; measurable judicial independence improvement required to sustain EU engagement momentum.

4

2031–2036 · LONG-TERM CONDITIONAL

### Advanced partnership; structural economic integration; associated membership;

Enhanced CEPA or “Advanced Partnership” or even “Associated Membership” framework conditional on reform trajectory sustained across electoral cycles; Armenia credibly established as regional transit hub; governance indicators narrowing gap with EU member states: general geopolitical context of the post-Soviet space improved. All conditional on peace framework durability and EAEU accommodation/DCFTA prospects. The 'conditional' qualifier is not rhetorical – it reflects the genuine uncertainty of the political variables involved.

## About the Author

Dr. Sergey Minasyan is Deputy Director of the Caucasus Institute and a KAS Invited Fellow, as well as a former diplomat and expert on foreign and security policy. He holds a PhD in Military History from the National Academy of Sciences of Armenia and a Doctor of Political Sciences in International Relations from the National Defense Research Institute of the Ministry of Defence of Armenia. He served as Ambassador of the Republic of Armenia to Romania (2017–2023) and holds the diplomatic rank of Envoy Extraordinary and Minister Plenipotentiary.



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