

GOVERNMENT OF THE REPUBLIC OF ARMENIA

DECISION

No 474-N of 29 April 2010

ON COORDINATING MANAGEMENT OF STATE PROPERTY

For the purpose of increasing the effectiveness of state property management, the Government of the Republic of Armenia hereby decides:

1. To assign the Head of the State Property Management Committee of the Republic of Armenia:
 - (1) for the purpose of implementing the objectives of state property management, application of priorities, preferences and restrictions in the current stage, to submit — three months before the end of the term of the 2015-2017 Programme for State Property Management established upon Decision of the Government of the Republic of Armenia No 411-N of 16 April 2015, as well as the end of term of each following three-year programme — a three-year programme for the state property management to the Government of the Republic of Armenia for consideration, which shall be a system of measures approved by the Government of the Republic of Armenia, prescribing the description of the actions, transactions, development priorities and restrictions aimed at achieving the goals of state property management in the given period;
 - (2) to submit to the Government of the Republic of Armenia an annual report on implementation of the programme for state property management — in effect in the previous year — for consideration prior to 1 May of the following year;

- (3) for the purpose of clarifying the main prospective approaches for development of commercial organisations with state participation for the next three years, to establish the model form of the business plan of commercial organisations with state participation.

(point 1 edited, supplemented by No 1160-N of 10 November 2016, amended by No 1084-N of 31 August 2017, No 80-N of 6 February 2019)

2. To establish that the three-year programme for state property management approved by the Government of the Republic of Armenia — referred to in point 1 of this Decision — must contain the following:
 - (1) the requirements of Article 18 of the Law of the Republic of Armenia "On state property management ";
 - (2) the list of state-owned property, for which it is envisaged to implement certain actions and conclude transactions by years within the scope of the programme concerned.

(point 2 edited by No 1160-N of 10 November 2016)

3. To establish that the report on implementation of the three-year programme for state property management must contain the following:
 - (1) the course of implementation of the actions specified in the programme for state property management in the reporting period;
 - (2) the description of the actions implemented by the Government of the Republic of Armenia that are targeted at implementation of the programme for state property management;
 - (3) information about the transactions carried out in the sphere of state property management in the reporting year;
 - (4) quantitative indicators which concern the application of forms of management, the actions implemented with respect to certain organisations and property;

- (5) information about the funds entered into state and community budgets as a result of use of state-owned facilities;
- (6) information about actually fulfilled contractual obligations, including in regard to investments and the implemented programmes.

(point 3 supplemented by No 1160-N of 10 November 2016)

- 4. To assign the Minister of Justice of the Republic of Armenia to complete, jointly with the Head of the State Property Management Committee of the Republic of Armenia and specialised organisations with the power to maintain the register of owners of securities, the activities for precision of the lists of commercial organisations and submit the results to the Government of the Republic of Armenia within a three-month period upon entry into force of this Decision. Moreover, with regard to the organisations with state participation regarding which no information is disclosed during the implementation of activities for precision, to submit to the Government of the Republic of Armenia a recommendation on future disposal of state participation within those organisations.

(point 4 amended by No 80-N of 6 February 2019)

- 5. To establish that the State Property Management Committee of the Republic of Armenia shall provide official information on state property on the basis of comprehensive record-registration of state property (including to the National Statistical Service of the Republic of Armenia).

(point 5 amended by No 80-N of 06/02/2019)

- 6. To assign the heads of public administration bodies to set up boards of directors within commercial organisations with state participation of more than 50 percent, the powers for disposal of stocks of which are reserved for the relevant bodies (except for the organisations, the state-owned stocks whereof are delivered for management of the private sector through public-private

partnership, as well as organisations engaged in privatisation programmes) which, pursuant to part 1.1 of Article 24 of the Law of the Republic of Armenia "On accounting", are deemed to be large organisations, as well as within commercial organisations with assets with a value of AMD 500,000,000 and more which have operated at a loss within three months, and make the relevant amendments arising from this point in the charters of the organisations.

(point 6 supplemented by No 1160-N of 10 November 2016)

7. To establish that representatives of the given public administration body and the State Property Management Committee of the Republic of Armenia, as well as a company (organisation) and any academic (scientific) institution representing the private sector of the given sphere are included within the composition of the board of directors to be set up in accordance with point 6 of this Decision, and the chairperson of the board shall be elected by the members of the board as prescribed by the Law of the Republic of Armenia "On joint-stock companies"; moreover, the representatives of state bodies shall nominate a single, previously agreed candidate for chairperson of the board. A person holding a public position (except for the President of the Republic of Armenia, Deputies of the Republic of Armenia, members of the Government of the Republic of Armenia, persons holding autonomous positions) or a public servant may be elected chairperson of the board, where it directly concerns to the implementation of the policy in the sector related to his or her office.

(point 7 supplemented by No 118-N of 11 February 2016, edited by No 1160-N of 10 November 2016, amended by No 80-N of 6 February 2019, No 1577-N of 14 November 2019)

8. To assign the heads of public administration bodies to submit, prior to 31 July of the last year of each three-year programme, to the State Property Management Committee of the Republic of Armenia the substantiation for maintenance of state participation in the commercial organisations with state participation, the

powers for disposal of the stocks whereof are reserved for the relevant bodies (except for the organisations, the state-owned stocks whereof are delivered for management of the private sector through public-private partnership, as well as organisations engaged in privatisation programmes), which must contain the following:

- (1) the legislative grounds, pursuant to which the organisation concerned is not subject to privatisation;
- (2) the current financial-economic situation and existing capacities of the organisation (including immovable property and other main resources, human potential and intangible assets);
- (3) types of activities of the organisation;
- (4) the main prospective approaches to the development of the organisation for the next three years (business plan, in accordance with the model form of the business plan approved by the Head of the State Property Management Committee of the Republic of Armenia), approved by the head of the relevant public administration body;
- (5) where there is a need to make changes to the business plan referred to in sub-point 4 of point 8 of this Decision after approval of each three-year programme, the revised version of the approved business plan shall be submitted to the State Property Management Committee of the Republic of Armenia in the course of 15 days.

(point 8 amended by No 1160-N of 10 November 2016, amended, supplemented by No 1084-N of 31 August 2017, amended by No 80-N of 6 February 2019)

9. To assign the Head of the State Property Management Committee of the Republic of Armenia to sum up the information referred to in point 8 of this Decision and submit a relevant recommendation to the Government of the Republic of Armenia within a two-month period upon receipt of the information.

(point 9 amended by No 80-N of 6 February 2019)

10. To reserve the powers for disposal of state-owned stocks (shares) of commercial organisations with state participation — included in the Law of the Republic of Armenia "On the 2017-2020 Plan for Privatisation of State Property" and under the subordination of different public administration bodies — for the State Property Management Committee of the Republic of Armenia, delivering the stocks as prescribed by the legislation of the Republic of Armenia, unless otherwise provided for by a decision of the Government of the Republic of Armenia.

(point 10 amended by No 1084-N of 31 August 2017, supplemented, amended by No 80-N of 6 February 2019)

11. To assign the Head of the State Property Management Committee of the Republic of Armenia to submit, for the purpose of increasing the effectiveness of the process of privatisation of commercial organisations with state participation — engaged in the programme for privatisation of state property and not yet owned — the programme for management of commercial organisations with state participation, engaged in the programme for privatisation of state property and not yet owned, to the Government of the Republic of Armenia for consideration within a three-month period upon entry into force of this Decision, as well as submit the timetable of preparatory works for privatisation of state property to the Prime Minister of the Republic of Armenia for approval prior to 1 February of each year, and submit information about the course of implementation of actions included in the timetable to the Government of the Republic of Armenia within a ten-day period upon expiry of every quarter.

(point 11 amended by No 80-N of 6 February 2019)

12. To establish that, prior to the 10th of the month following each quarter, public administration bodies shall submit to the State Property Management Committee of the Republic of Armenia information about the course of liquidation of commercial organisations with state participation and state non-commercial

organisations (hereinafter referred to as "organisation") that are being liquidated thereby, as well as are in the process of liquidation and the existing problems in this process.

(point 12 edited by No 1160-N of 10 November 2016, amended by No 80-N of 6 February 2019)

13. To assign the Head of the State Property Management Committee of the Republic of Armenia to study the process of liquidation of the organisations upon receipt of information referred to in point 12 of this Decision, upon necessity, provide relevant consulting, and submit the results of the study to the Staff of the Government of the Republic of Armenia prior to 20 January following the reporting year.

(point 13 edited by No 1160-N of 10 November 2016, amended by No 80-N of 6 February 2019)

14. To establish that the head of a relevant public administration body or territorial administration body or his or her deputy (except for the Ministry of Defence of the Republic of Armenia, the National Security Service adjunct to the Government of the Republic of Armenia and the Police of the Republic of Armenia adjunct to the Government of the Republic of Armenia) must also be a representative authorised by the State in the organisations with state participation, the state participation whereof will be substantiated in accordance with point 9 of this Decision.
 - 14.1. To assign the Head of the State Property Management Committee of the Republic of Armenia, prior to 30 December of the current year, upon adoption of the annual report on implementation of the three-year programme by the Government of the Republic of Armenia, proceeding from the financial-economic situation of organisations, the results of the reporting year of the three-year programme and implementation of the development programmes of the

organisations, after agreeing with the relevant authorised public administration body as a result of discussion with the head of the relevant organisation and authorised public administration body to the Government of the Republic of Armenia, to submit the draft decision of the Government of the Republic of Armenia on delivering the rights of the organisation concerned certified by stocks for trust management and management under concession contract, reorganisation or liquidation of the organisation and the draft law of the Republic of Armenia on engaging the organisation in the privatisation programmes for consideration as prescribed by the legislation of the Republic of Armenia.

(point 14.1 supplemented by No 1160-N of 10 November 2016, amended by No 80-N of 6 February 2019)

15. This Decision shall enter into force on the day following its official promulgation.

**Prime Minister
of the Republic of Armenia**

T. Sargsyan

5 May 2010

Yerevan