



Compact Goal

MCC signed a 5-year Millennium Challenge Compact with the Republic of Armenia in March 2006, which entered into force in September 2006. The compact is designed to reduce rural poverty through a sustainable increase in the economic performance of the agricultural sector through a program of strategic investments in rural roads and irrigated agriculture. The program is being administered by MCA-Armenia (www.mca.am), a state, non-commercial entity established by the Government of Armenia. A stakeholders' committee allows for participation from Armenian civil society.

Update on Progress

Rural Roads Rehabilitation Project

- The Armenian government will rehabilitate 943 km of rural roads, which, when complete, will help ensure that rural communities have access to markets, services, and the main road network.
- Construction on a 24.5 kilometer road segment in the Gyumri region began on October 29, 2007. Procurement is proceeding on contracts for maintenance, design and feasibility, construction, and construction supervision.

Irrigated Agriculture Project: Infrastructure Activity

- MCA-Armenia is finalizing the procurement for the design and supervision of 18 irrigation schemes throughout Armenia.
- In February 2007, MCA-Armenia signed an agreement with the Irrigation Project Implementation Unit to oversee implementation of the civil works of the Irrigated Agriculture Project.
- To date, MCA-Armenia has signed several contracts for design and feasibility studies of canals, reservoirs, and environmental oversight.

Irrigated Agriculture Project: Water-to-Market Activity

- MCA-Armenia and ACDI/VOCA signed a \$18.5 million contract for ACDI/VOCA to manage the Water-to-Market Activity.
- The random selection of the timing to determine when communities would receive training under the Water-to-Market Activity took place in a public forum in August 2007. The event included representatives from the MCA-Armenia stakeholders' committee, water users' associations and Armenian government officials.
- In October 2007, an agreement was signed between MCA-Armenia and the Rural Finance Facility Project Implementation Unit, which will facilitate the implementation and monitoring of the credit component of the MCA-Armenia Water-to-Market activity.

Compact Status

Status.....Implementation, Year 2

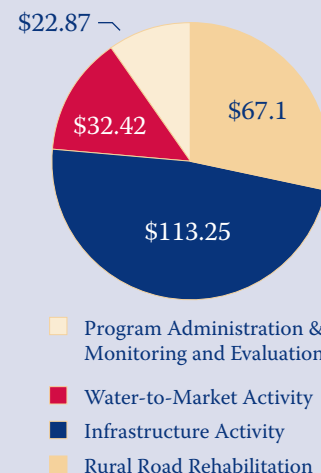
Compact Information

Total Amount..... \$235.65 million
 Duration5 years
 Compact Signed 3-27-2006

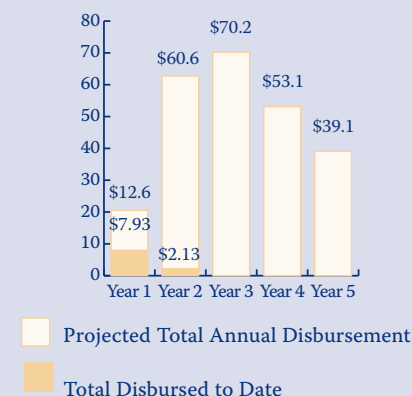
Country Information

Population 3,016,312
 GNI Per Capita.....\$1,930*

Obligations by Key Sector
in millions



Disbursement Schedule
in millions



*World Development Indicators, World Bank, 2005