

Data Sheet

USAID Mission:	Armenia
Program Title:	Social Protection
Pillar:	Economic Growth, Agriculture and Trade
Strategic Objective:	111-0340
Status:	Continuing
Planned FY 2006 Obligation:	\$6,000,000 FSA
Prior Year Unobligated:	\$3,325,000 FSA
Proposed FY 2007 Obligation:	\$4,374,000 FSA
Year of Initial Obligation:	2004
Estimated Year of Final Obligation:	2008

Summary: USAID's program for improved social protection employs two complementary strategies for improving the lives of Armenia's poor. USAID allocates approximately 60% of the objective's funds for nation-wide social protection systems strengthening activities, and 40% to community-level grassroots development activities. Targeted social protection systems include national social insurance and social assistance programs, as well as employment and labor services. Community development activities address the immediate needs of Armenia's most vulnerable populations by supporting direct assistance and development efforts initiated by local communities and non-governmental organizations.

Inputs, Outputs, Activities:

FY 2006 Program:

Expand and Improve Access to Social and Economic Infrastructure (\$800,000 FSA, \$3,325,370 FSA carryover). The popular and successful Community Self Help Grant program will continue in FY 2006. This program improves the socio-economic conditions of Armenian communities through infrastructure rehabilitation projects designed, proposed, co-financed, and co-implemented by beneficiary communities. The Support Program for the Elderly will continue to provide hot meals and social services to over 8,000 beneficiaries (one-third of Armenia's indigent elderly) and will pursue social partnerships with local and national authorities to address the needs of the elderly beyond the life of project. The Children in Especially Difficult Circumstances Global Development Alliance (GDA) will continue to improve the treatment of children in state institutions, assist schools to mainstream children with disabilities, and help communities and families to effectively deal with at-risk children through community center programs, roving social workers, and novel initiatives such as foster parenting. The Building and Rehabilitating Infrastructure for Development and Growth in Employment (BRIDGE) program will continue work with targeted local communities nationwide to identify priority rehabilitation work and train vulnerable unemployed community members in the skills needed to effectively complete this work under the guidance of BRIDGE experts.

The Targeted Humanitarian Assistance Program will end in FY 2006. The program improves the safety and living conditions of targeted vulnerable populations in specialized institutions such as orphanages and nursing homes. The Integrated Community Development GDA will be complete by the end of FY 2006. The program assists the Karakert community to improve standards of living by rehabilitating the town's social infrastructure including schools, health facilities, and irrigation works. USAID will evaluate the Karakert experience in FY 2006, setting the stage for possible replication of this small town development model, using the GDA mechanism, in other sites. Implementers: Save the Children, Mission Armenia, World Vision (GDA), Community Habitat and Finance (CHF), Fund for Armenian Relief, UNDP/Children of Armenia Fund (COAF) GDA.

Strengthen Public Sector Executive Function (\$5,200,000 FSA). The Social Protection Systems Strengthening (SPSS) Project will finance technical assistance, training, and equipment to support Government of Armenia (GOAM) efforts to refine and strengthen social insurance benefits targeting and means testing, while developing sustainable mechanisms, such as social contracting between public and private sector entities, for addressing the needs of vulnerable populations. To assist those who are able and willing to participate actively in Armenia's new market economy and to facilitate their transition to self-

reliance and sustainability, SPSS will contribute to improved employment services and labor practices, and a streamlined and solvent pension program. Furthermore, by focusing on effecting systemic changes in these key GOAM social protection programs, SPSS will also advance USAID's anti-corruption goal by helping to develop more transparent, accountable, and responsive public institutions. SPSS will build on the accomplishments of the Armenia Social Transition Project (ASTP) that ended in October 2005. Implementer to be determined (TBD).

FY 2007 Program:

Expand and Improve Access to Social and Economic Infrastructure (\$2,174,000 FSA). The BRIDGE program and the Community Self-Help Program will continue to provide vocational training for community-led infrastructure rehabilitation projects. Mission Armenia will continue to provide hot meals and other basic social services to the elderly in Armenia, but will begin to move towards sustainability through social partnering with the state and local governments of Armenia. World Vision's Children in Especially Difficult Circumstances program will continue to work to prevent child abandonment and institutionalization through such initiatives as foster parents, and to promote and facilitate mainstreaming of school-age children with disabilities through teacher training in special education and child psychology. Principal contractors/grantees: Save the Children, Community Habitat and Finance, Mission Armenia, UNDP, World Vision.

Strengthen Public Sector Executive Function (\$2,200,000 FSA). USAID's social portfolio will continue to support an optimum mix of macro-level social systems strengthening activities and direct micro-level community development assistance, with the majority of funding (at least 60%) allocated for systems strengthening interventions. The SPSS Project will be fully underway and significant technical assistance, training, and material support (including information technology) will be provided to the Ministry of Social and Labor Issues, its agencies, and other GOAM entities (e.g., State Social Insurance Fund [SSIF], Nork Center for Information and Technology) to reform and/or design and implement sustainable social insurance and social services programs; to support capacity building activities to improve labor practices and occupational safety within key Armenian industries; to improve the managerial, accounting, and administrative systems within the SSIF; and move the State Employment Services Agency to be more market-driven and aligned with private sector needs. Implementer TBD.

Performance and Results: USAID's five-year flagship Armenian Social Transition Program (ASTP) ended in October 2005. ASTP played a decisive role in helping the Ministry of Labor and Social Issues complete a basic step toward overhaul of the country's public insurance and assistance programs: the institutionalization of a nationwide social security card system. This has increased transparency, accountability and accuracy in the collection of contributions (taxes) and the payment of state benefits to citizens. ASTP also worked with GOAM officials to refine means testing and benefits targeting to ensure that only the neediest Armenians receive state-financed poverty family benefits (PFB) and related assistance, with priority given to poor families with children. These two interventions reduced the number of people on welfare rolls (134,000 in 2004 vs. 128,000 in 2005) and steadily increased the number of poor families with children receiving PFB (in 2001, 54.4% of beneficiaries represented families with children; by 2005, this increased to 69.2%). USAID's grassroots community development efforts renovated infrastructure through public works initiated by local governments and/or communities; trained social workers; and supported social assistance programs for the elderly and children in especially difficult circumstances. The UNDP/COAF GDA has been heralded as a model for small town integrated development by some GOAM authorities. The World Vision GDA supplied 11 community centers and trained teachers and parents serving 1,000 children in difficult circumstances. USAID's BRIDGE program, re-invigorated 47 community development committees in 6 cities, trained 158 people with marketable vocational skills, and completed plans for public works projects that will generate short-term employment for 129 local beneficiaries.

At the end of this objective, Armenia will have laid the foundation for a sustainable pension and social insurance system, employment services will be linked to market demand, the labor inspectorate will protect occupational safety in a business-friendly environment and social contracting between government and NGOs will be a commonplace means of assisting vulnerable populations.

US Financing in Thousands of Dollars

Armenia

111-0340 Social Protection	FSA
Through September 30, 2004	
Obligations	66,923
Expenditures	55,802
Unliquidated	11,121
Fiscal Year 2005	
Obligations	5,482
Expenditures	11,296
Through September 30, 2005	
Obligations	72,405
Expenditures	67,098
Unliquidated	5,307
Prior Year Unobligated Funds	
Obligations	3,325
Planned Fiscal Year 2006 NOA	
Obligations	6,000
Total Planned Fiscal Year 2006	
Obligations	9,325
Proposed Fiscal Year 2007 NOA	
Obligations	4,374
Future Obligations	0
Est. Total Cost	86,104