

Armenia Compact Progress

- ★ **Rural Road Rehabilitation Project:** The Government of Armenia is contributing \$16.8 million toward the on-going rehabilitation of rural road segments linking farmers to major agricultural markets across Armenia. In December 2008, MCA-Armenia completed the rehabilitation of a 25 km road segment pilot project near Gyumri.
- ★ **Water-to-Market Activity:** An additional 2,000 farmers have been trained in the use of new and improved farming technologies, bringing the total to 21,882. In 2008, over 125 farmers received a total of \$1.5 million in credit to develop their agribusinesses.
- ★ In December 2008, MCA-Armenia launched the first cell phone/SMS-based Market Information System in Armenia, allowing

farmers to receive instant fruit and vegetable pricing information. This new service enables farmers to negotiate with buyers from a position of greater strength.

- ★ *Note: Compact funding allocations for Armenia have not changed since compact signature, although irrigated infrastructure and road construction works have been adjusted in scope/size due to escalating global construction costs and currency fluctuations. As of March 2009, the MCC Board of Directors reiterated its concerns about the status of democratic governance in Armenia and did not lift the hold on MCC assistance for contracts relating to the rehabilitation of rural roads (in effect since May 2008).*

Compact At-A-Glance

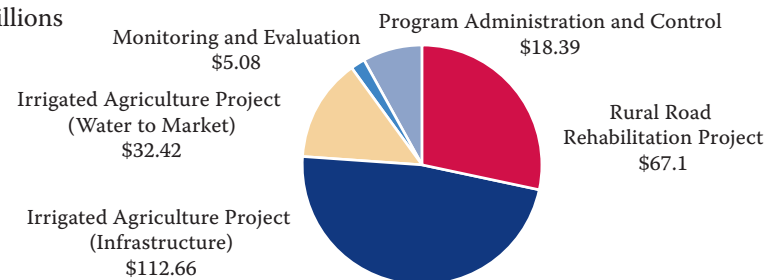
Signed 3/27/2006

Entry Into Force..... 9/29/2006

The five year, \$236 million compact will reduce rural poverty by increasing the agricultural sector's economic performance. This goal will be achieved through strategic investments in rural roads and irrigation systems.

Obligations by Project

in millions



\$105,518,898 total contract commitments

\$30,881,115 disbursed to date

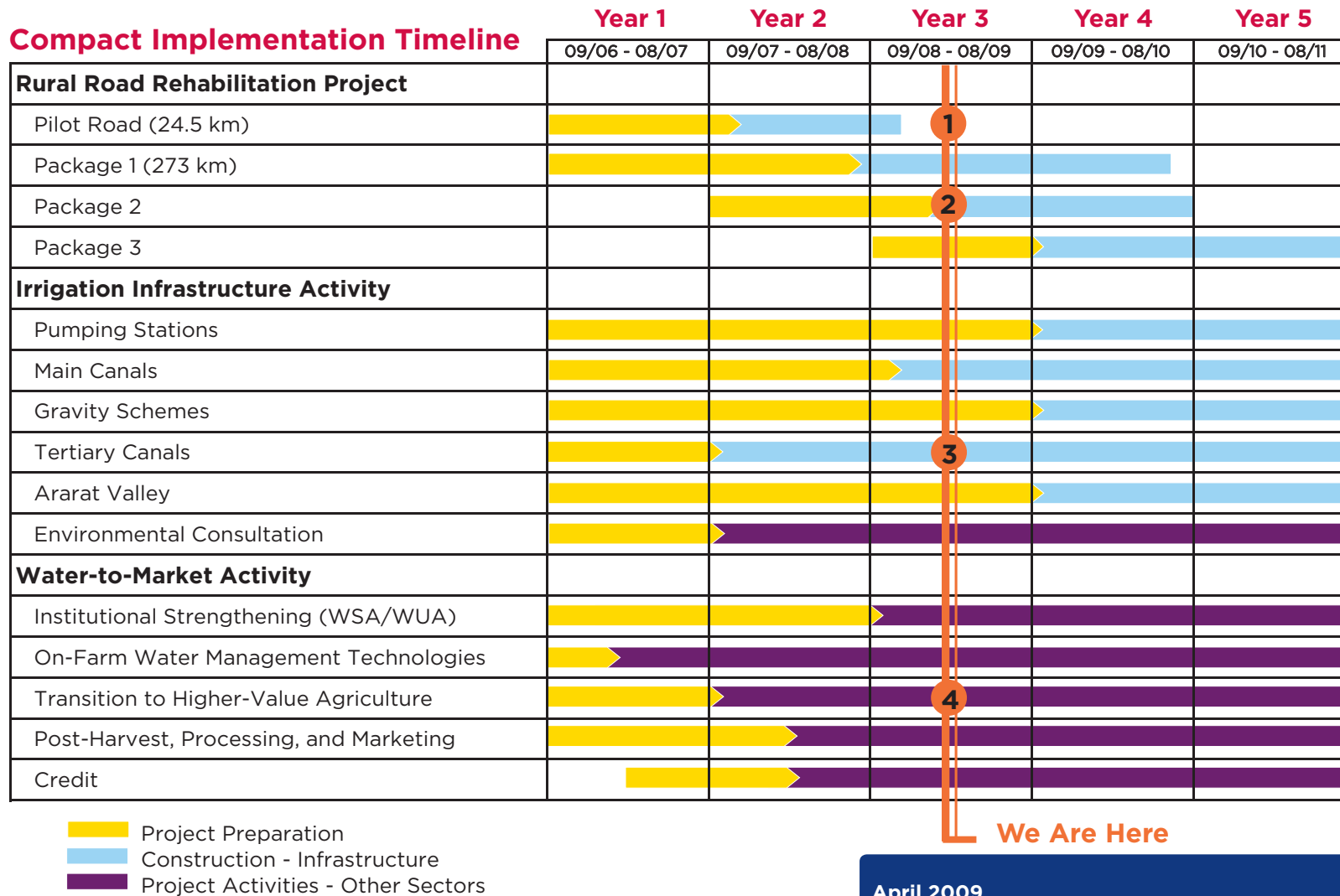
Country At-A-Glance

Population..... 3,007,195*

GNI per Capita \$2,640*



On the Web:
www.mcc.gov
MCA-Armenia:
www.mca.am



1
Pilot 25 km "Armavir-Isahakian-Gyumri" road completed December 2008.

2
Rehabilitation of RRRP Package 1 roads (273 km) with \$16.8 million allocated by the GoA began in September 2008

3
Pilot rehabilitation of tertiary canals in 4 communities completed in August 2008.

4
Over 22,000 farmers now trained under Water to Market Activity and \$1.5 million credit issued to farmers through bank intermediation.

We Are Here
April 2009
 Disbursements to Date..... \$30,881,115
 Total Contract Commitments..... \$105,518,898

* For more information on country proposals, due diligence, program set-up, implementation and monitoring, and ongoing impact, please see the diagram entitled *Typical MCC Program Cycle* at www.mcc.gov.