

U.S. ASSISTANCE TURNS TOXIC ROCKET FUEL INTO USABLE FERTILIZER



Nestled in the mountains of northwestern Armenia lie the remains of spent rocket fuel from missiles that once were to be found in this former Soviet republic. Dozens of aging tanks scattered in the high alpine meadow leak now toxic chemicals into the groundwater. Thanks to a U.S.-sponsored program, that will not be true for much longer.

When the Russian government collected former Soviet missiles following the collapse of the USSR over 15 years ago, it left behind the toxic sludge that had come along with them. Large stocks of a mixture of highly toxic rocket fuel chemicals, called *mélange*, were not only abandoned in Armenia but throughout the former Soviet space and even in far-flung Soviet-touched areas of the world like Afghanistan, Cuba, Angola and in countries that were once members of the Warsaw Pact.

In the 1990s, many private chemical factories in Eastern Europe, especially in what was East Germany, developed a method for neutralizing the caustic, nitrogen-based *mélange* into harmless potassium nitrate, a valuable additive for fertilizer. Nevertheless, in the former Soviet republics, with its storage tanks corroding, the *mélange* was considered too dangerous to move and few people had the expertise to work with it. However, something substantial is being done about this toxic relic from the Cold War.

More than 20,000 tons of this poison is scattered across the post-Soviet landscape, and the countries where it was abandoned had neither the resources nor the know-how to make it safe. With help from the international community, this is now changing. A project to convert the rocket fuel to fertilizer -- without the risk of transport - was developed by the Organization for Security and

Cooperation in Europe (OSCE) and the North Atlantic Treaty Organization. Managing the conversion process safely is expensive. OSCE sought resources from member states to demonstrate that it could eliminate this



hazard. The U.S. seeks to support the work of OSCE in Armenia across all aspects of its policy mandate. Officers at the U.S. Embassy in Yerevan and at the U.S. Mission to the OSCE in Vienna thought that supporting this environmental project -- in addition to being worth doing for its own sake -- would also help build the prestige of the OSCE in Armenia, thereby gaining more support for OSCE goals such as building democracy and support for human rights in this post-Soviet state. With

strong support from the Office of the Coordinator for U.S. Assistance to Europe and Eurasia (EUR/ACE), the U.S. committed USD1.6 million from FREEDOM Support Act funds to convert 872 tons of toxic rocket fuel in Armenia. Germany and Finland also provided important support to this project... [continued on page 2](#)

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PEACE CORPS • ARMENIA

Surenavan Community Playground Officially Opened

In Surenavan Village, Ararat Marz, a brand-new playground was recently inaugurated. The project was spearheaded by Surenavan Secondary School teacher, Alvina Grigoryan, who grew up in the village and has worked with the Peace Corps for one year. After completing the Peace Corps Project Design Management workshop in February, she returned home inspired to improve her community. Grigoryan brought the community together to make the parents and teachers' dream of a safe and clean playground/recreation area a reality. The village donated the site on school grounds and provided more than USD2,000 in community contributions including time, labor and materials. The village received a Small Projects Assistance Grant from the U.S. Agency for International Development through the U.S. Peace Corps for materials and equipment purchases and solicited in-kind donations from community members for playground sand and trash cans. Playground equipment, basketball hoops, tennis and volleyball nets and eight Armenian-flag-colored benches were installed at the beginning of September. The project will conclude in November with the planting of 100 decorative trees. More than 50 Peace Corps volunteers assisted with the project. They cleaned the playground, constructed the benches, and set up the basketball hoops, tennis and volleyball nets. The playground equipment was constructed by Magnon Playground & Equipment Company, a Gyumri-based business that has constructed playgrounds throughout Armenia and has



worked with internationally recognized organizations including USAID and WorldVision. The community chose equipment based on teacher input, student activities and community needs. "We knew based on a community needs-assessment and focus group that the village had no place where adults and children could relax outdoors."

"The playground is a great asset to the school and the Surenavan community," School Director Valya Avetisyan said. "It provides children from our small village the opportunity to play on equipment similar to what the children in Yerevan have access to. Certainly it will be the recreation center in Surenavan for many years to come."



The official opening day

Rocket fuel to fertilizer—continued from page 1

The process of converting the rocket fuel to fertilizer began in August 2006 and nearly half of the material was converted before winter weather forced engineers to halt the complex chemical process. Spring comes slowly to the Caucasus Mountains, but the process resumed and conversion was completed in September 2007. Managers of the project are rightly proud of their safety record: zero injuries and zero environmental mishaps. The end product of this process is a mineral fertilizer dressing rich in nitrogen. This fertilizer is

provided to farmers in this remote, impoverished region of Armenia. The impact of this project spreads far beyond the local farmers, however, as the tons of calcium used in the chemical conversion are mined in Armenia. Most importantly, an environmental disaster was averted and the water supply is being made safe.

The OSCE seeks to use the expertise gained during the successful implementation of the Armenian project to help in tackling the massive problem in other states of the region. In Ukraine alone, there are some 16,000 tons of this toxic legacy which must be eliminated.

REFUGEE VILLAGE BENEFITS FROM COOPERATION OF DOS GRANTEES



Yeghegis, a village in Vayots Dzor Marz, is an ancient settlement featuring a medieval Jewish cemetery and vivid signs of a distinct mix of Armenian and Azeri cultures. There are 610 residents and about 160 homes in the village, 75% are former refugees from Azerbaijan.

They have all gained their Armenian citizenship and were stripped of special privileges as refugees. All have resettled in the homes of Azeris who fled to Azerbaijan during the military conflict over Nagorny Karabakh. The village is extremely poor and has no developed irrigation infrastructure for agriculture and farming, though the location is very favorable and advantageous for agriculture.

The Department of State, through the EUR/ACE humanitarian assistance program, awarded a grant in amount of USD19,960 to renovate the obsolete and broken potable water pipeline and build a new water collection basin. International Relief and Development (IRD) Armenia completed the pipeline and water basin project, which is now providing year-round water access to 148 houses in the village. In-kind contributions of materials and labor, valued at USD7,991, were provided by the villagers. The project received full support of Vayots Dzor Marz Governor's office.

Additionally, the renovation of a kindergarten in the village was completed through a grant in amount of USD15,000, received from the DOS Bureau of Population, Refugees and Migration by Counterpart Humanitarian Assistance Program (CHAP) Yerevan Office to administer the project. The Yeghegis kindergarten for 20 kids is located in a separate wing of the



Village gains access to mountain spring water

school building and required full renovation. The kindergarten functions only 6 months a year as there is no heating, and many window panes were missing. The center's roof leaked in several places over the kitchen and the bedroom. The center's playroom was completely empty and had neither educational materials, nor toys. The existing furniture was very old and broken. The floor was destroyed and required complete renovation. The only refrigerator did not work and was used as a storage cabinet. In about three months, CHAP completely reconstructed the bedroom and playroom of the kindergarten. The Latter Days Saints Charities (LDS) also contributed to this project by providing furniture and a refrigerator in amount of USD1,000.

At the event dedicated to the opening ceremony of the completed program of DOS Humanitarian Assistance Programs Grantee – the Medical Mobile Team of the Hellenicare NGO provided free of charge medical services to more than 100 village residents, who have limited access to hospitals. The group of doctors included a therapist, a surgeon, a pediatrician, a gynecologist, an ultrasound specialist, an ophthalmologist, and nurses.

UMCOR, IRD and CHAP distributed humanitarian aid: clothing, newborn, hygiene and school kits, and VRF delivered books to the kindergarten. The distribution was also sponsored by DOS Humanitarian Assistance Programs.



Specialist from Medical mobile team screens village woman

hellenicare
restoring hope & dignity throughout the world



WARMTH AND FOOD FOR ARMENIAN CHILDREN



As the chill of autumn settles in, there's warmth at Yerevan #279 boarding kindergarten in the community of Malatia Sebastia. The children have cheese to eat and warm blankets under which to snuggle, thanks to the U.S. government and the United Methodist Committee on Relief.



"It is excruciating for me to see these little children arrive at kindergarten without breakfast," explains Eveta Pogosyan, who has been at the institution for 17 years and currently serves as its director. A good breakfast



is an essential, healthy way to start the day for everyone, especially children who need to focus their attentions and energies on learning and playing. However, a majority of Ms. Pogosyan's 122 students come from vulnerable families who struggle to afford basic foods. Without the simple meals they receive at school, some of the children would suffer from malnutrition, which undermines proper physical development in children.

"It is hard to manage the institution with its tight budget," - Ms. Pogosyan explains. But despite the economic difficulties, she and her staff of 45 women are committed to making life as comfortable as possible for the children, who range in age from two to five-and-a-half. The kindergarten is clean and comfortable, and staff even donated part of their summer to do simple renovations to the Soviet-era setting.

To help the staff meet the nutritional needs of the children, UMCOR ensures that kindergarten #279 receives monthly shipments of 22kg of locally produced cheese. The Cheese Distribution Program is funded through the U.S. Department of State.



In addition, the kindergarten received new blankets for the beds, where about 50 children sleep each night because they don't have families who can care for them. The blankets, donated by members of United Methodist churches across America to UMCOR, are shipped to Armenia through funding provided by the U.S. Department of State.

MASS IMMUNIZATION CAMPAIGN BEGINS IN ARMENIA

1.2 Million Individuals Targeted for Vaccination against Measles and Rubella



Measles and rubella are highly contagious diseases and are among the main causes of mortality in children. In 2005, 345,000 individuals died of measles worldwide. Rubella, a clinically

milder disease, continues to be a serious public health threat because of the high risk it poses to the health of a fetus if contracted by a pregnant. As a consequence of rubella, over 100,000 children with disabilities such as blindness and deafness are born every year. Measles and rubella, however, are easily prevented by vaccination.

The two-weeks nationwide mass immunization campaign against measles and rubella was launched on October 1, 2007 and was carried out entirely by local health care workers. It is an essential part of the national strategy adopted by the Armenia Ministry of Health to eliminate measles and prevent congenital rubella syndrome in the country by the year 2010, which in turn is part of the strategy of the World

Health Organization (WHO) to eliminate these diseases from the entire European region by the same year. "About 1.2 million children and adults aged 6 to 27 are being vaccinated (in Armenia) to protect their health," said Galina Vishnevskaya, the world-famous opera

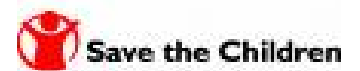
singer and co-founder of the Vishnevskaya-Rostropovich Foundation (VRF), during the press conference at the opening ceremony in polyclinic #17 in Yerevan in the presence of all partners – the Ministry of Health, WHO, United Nations Children’s Fund (UNICEF), and the Ani and Narod Memorial Foundation (ANMF). "It is the US Department of State that made our participation possible. The VRF supported the public awareness and the mobilization activities to facilitate the implementation of the immunization campaign" – continued Madame Vishnevskaya.



VRF Co-Founder Galina Vishnevskaya and daughter Elena Rostropovich observe vaccination on opening day of mass immunization campaign

U.S. EMBASSY GRANTS SOLVE COMMUNITY PROBLEMS

Save the Children’s Community Self-Help Fund (CSHF) is sponsored by the U.S. Embassy and USAID to improve the economic and social conditions in Armenia’s most vulnerable communities through small grants. Twice a year since the beginning of the program in November 2003, Save the Children invites local community groups and organizations to submit proposals aimed at finding solutions to community problems and encourages community self-help initiatives, requiring a minimum one third community investment. Throughout the six rounds of the program, Save the Children received 1,063 applications and provided USD784,000 in grants to 52 community projects, which included improvements to kindergartens, schools, youth clubs, health posts and hospitals and irrigation/water systems. The projects benefited 65,385 people directly, 70% of which are women and children. The CSHF program has been a great triumph, in view of the number of the successfully implemented projects and their beneficiaries. It is very important that the communities assist themselves, as they mobilize their efforts and contribute one third of the total projects cost in form of money and volunteer work. The seventh round of the CSHF program started in March 2007 and the best projects were shortlisted and submitted to the U.S. Embassy for final selection. The U.S. Embassy’s Assistance Coordination Group selected 9 projects that in total received USD160,352 from the CSHF. The assured community contributions made USD104,308 or more than 39% of the total project cost.



Then Chargé d’Affaires Amb. Rudolf Perina Awards Community Self Help Fund Grants

MCA-ARMENIA WATER-TO-MARKET ACTIVITY



MILLENNIUM CHALLENGE CORPORATION
 REDUCING POVERTY THROUGH GROWTH

Water-to-Market Activity, which aims to provide increases in agricultural productivity and incomes through trainings, technical assistance, access to credit and essential equipment for 60,000 farmers overall in the irrigation zones rehabilitated under the MCA-Armenia Program, started training farmers in on-farm water management and improved water management techniques in late April 2007. Over the past six months more than 2,800 farmers have been trained and received certificates. Arevashat community of Armavir marz is one of the project communities where the farmers' training resulted in interest and enthusiasm. Village mayor Susanna Gevorgyan assures that farmers are very satisfied with the training and that they learned a number of effective and efficient watering and irrigation methods. "We learned the proper methods of leveling the surface and cultivation to maximize water effectiveness and minimize water losses," added the farmers who came to the mayor's office to meet us.

Farmers of the Arevashat community mostly cultivate vegetables. After completing Water-to-Market trainings, they realized that the best and the most effective way of irrigating their farms is drip irrigation, for which new equipment is needed. With the help of video and field trainings, farmers were shown various ways of integrating efficient on-farm water management techniques onto their existing infrastructures. Despite the

seemingly high price tag of this new equipment, the enthusiasm created by these trainings and the MCA-Armenia Program in general in Arevashat is bridging the gap between theory and reality. "The community is anxious to find resources to make this happen. They know that in the future those involved in the program will have a possibility of receiving credit. Additionally, our community applied for participating in the tertiary system rehabilitation component, and is prepared to meet the 15%



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Next to Arevashat there is another community – Voskehat — where the farmers of Griboyedov partook in a field-based training. The trainer - Gevorg Michikyan - explained to the farmers how to correctly use mobile water-measuring equipment, and



Trainers explain how to work with mobile water-measuring equipment

co-financing requirement. Our village really needs this, we have huge territories which are not irrigated and we face a water problem. We hope that MCA-Armenia Program will change the way we go forward with our lives. We are hardworking people and we provide markets with good crops, despite meager and aging resources" – says village mayor Susanna Gevorgyan.

showed them how to irrigate fields using water coming through pressurized pipes, sprinkle irrigation, siphon and hydrant types of irrigation, and drip irrigation. The trainer further explained how to identify effective irrigation methods for various crops such as wheat, leafy vegetables, grasses and spices. Vachagan Gabrielyan, a farmer who participated in the training said, "We thought that the only way to irrigate farms and fields is to just open water and let it flow into the fields. But during the last 5 days, we learned how to avoid water losses, how to use pumps for tube wells and many other important irrigation modalities. If I had enough money to buy necessary equipment, I would have used sprinkle irrigation, which is more advantageous for me because I have a field of wheat and sprouts. Sprinkle irrigation would be the best for me." Water-to-Market trainings continue as scheduled and farmers throughout Armenia are getting involved in the MCA-Armenia Program.



Training certificates awardees

FARM CREDIT CONTRIBUTES TO ARMENIAN AGRICULTURE



Farm Credit Armenia Universal Credit Organization Commercial Cooperative (FCA UCO CC) has been approved by the Armenian Central Bank to operate in Armenia. FCA an Armenian agricultural cooperative credit institution largely based on the United States Farm Credit System (FCS), was legally registered in September 2007 with the Armenian Central Bank following an intensive application process.

This activity is supported by the United States Department of Agriculture, Caucasus Agricultural Development Initiative (USDA/CADI) under the Freedom Support Act funding to increase institutional capacity and economic prosperity in the Caucasus region. Advisors from the U.S. Farm Credit Administration (FCA), member banks and associations of the FCS have provided training to both staff and the board of directors, in the US and in Armenia, on cooperative organizational principles, lending, marketing, organizational development, and bank operations. One US advisor has spent 187 days in 2007 in Armenia working with staff, directors, regulators, and international

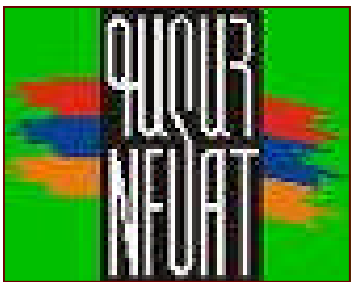


groups. Through its bylaws, Farm Credit Armenia is the only lender in the country with the obligation to serve the credit needs of the Armenian rural sector at market rates, in good and bad times.



Then Chargé d'Affaires Anthony Godfrey congratulates FCA staff

GRADUATE RESEARCH ASSISTANCE & STIPEND PROGRAM



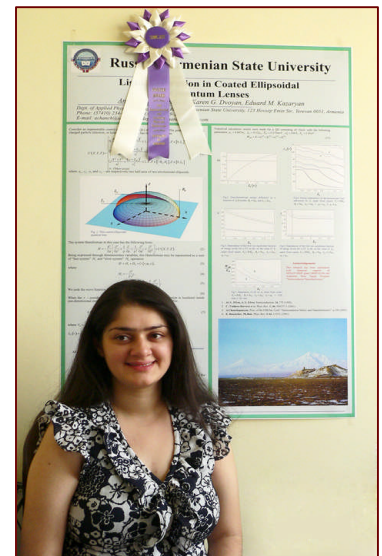
The National Foundation of Science and Advanced Technologies (NFSAT) initiated a targeted program, which really provides support to young scientists. NFSAT and the U.S. Civilian Research and Development Foundation (CRDF) announced the Graduate Research Assistance & Stipend Program (GRASP) in 2006. On a competitive basis, NFSAT and CRDF provided 12 months of support to post-graduate students (aspirants) in the Republic of Armenia who received grants awarded under this competition. These grants were up to 5,000 USD each: 2,000 USD for individual financial support and 3,000 USD for research and travel expenses.

The goal of this program was to provide early-career Armenian investigators (aspirants) involved in full-time research with the following:

- the ability to concentrate solely on full-time graduate study
- the funding to perform high-quality research in the field of basic science
- the opportunity to become more integrated in the international scientific community by participating in international conferences, workshops and meetings

This program was activated on September 1, 2006 and NFSAT and CRDF supported 26 grants in the basic sciences

As a result of this program over 50 research articles were published in local and international scientific journals and most post-graduate students involved in the program participated in 18 International Scientific Meetings.



Ani won the best poster award in the "14th Semi-conducting and Insulating Materials Conference" held in the US within the project framework

FOSTERING ARMENIAN SMEs

The USAID/EBRD three-year program will increase the number of small and medium enterprises (SMEs) in Armenia's rural and poor areas and improve business productivity and turnover.



USAID | ARMENIA
FROM THE AMERICAN PEOPLE



On July 16, 2007, Ambassador Rudolf Perina, then Chargé d'Affaires a.i. of the U.S. Embassy in Yerevan, Armenia, signed an agreement between the U.S. Agency for International Development (USAID) and European Bank for Reconstruction and Development (EBRD) in support of the EBRD's Business Advisory Services (BAS) program.

The event formally inaugurated an agreement USAID signed earlier this year with the EBRD's BAS Program, providing a USD1.64 million grant to fund nearly 75% of the program's costs from 2007 to 2010.

The EBRD's BAS Program is aligned with USAID's strategic goal of creating jobs and generating economic growth in Armenia, and provides technical assistance, training, and firm-level consultancy services to Armenian enterprises, focusing particularly on small

firms. The Program aims to (1) promote the development of small and medium-sized enterprises (SMEs) and (2) support the development of local business consulting service companies. BAS achieves this by linking SMEs to global, regional and local markets by providing them with access to business consulting service providers. Besides enabling SMEs to enter new markets, the assistance provided by the BAS Program-supported consultants helps them improve internal operations and products, reduce operating costs, gain access to financing, and plan future business operations, all of which increase their ability to compete in the domestic and global marketplace.

BLIND JUSTICE THROUGH ETHICAL VISION

One of the cornerstones of democracy is the establishment of an independent and impartial judiciary to promote the rule of law and protect the rights of citizens. USAID's Rule of Law Development Program (RLDP) has been assisting Armenia in fostering greater independence of the judicial system, raising the accountability and professionalism of judges and lawyers, and increasing public awareness of human and civil rights.

One of the program's major accomplishments this year was the publication of the "Commentaries to the Code of Judicial Conduct", which was jointly drafted by the Ethics Committee of the Republic of Armenia (RA) Council of Court Chairmen and the Board of the RA Association of Judges, with technical assistance from the American Bar Association's Rule of Law Initiative (implementer of RLDP activity) and the editorship of the Chairman of the RA Court of Cassation, Hovhannes Manoukyan. The Judicial Code of Conduct of Armenia, which came into force on December 8, 2005, incorporates requirements of fundamental international documents related to judi-

cial conduct. The recently published Commentaries help to ensure the effective functioning of Armenia's Judicial Code with the goal of promoting independence, impartiality and accountability of judges. The new Commentaries also require the judiciary to follow proper conduct both in their judicial and extra judicial capacity to uphold public's trust in the country's judicial branch.

The presentation of the Commentaries was attended by judges from courts throughout Armenia as well as representatives from the Ministry of Justice, Chamber of Advocates, Prosecutor General's Office, and local and international organizations. The honorary guest speaker at the event, John M. Walker Jr., Senior United States Circuit Judge, highlighted the importance of the publication, noting that "an independent and ethical judiciary is an essential ingredient of the rule of law. The three documents - the Judicial Code, the Code of Judicial Conduct, and these Commentaries to the Code of Judicial Conduct - demonstrate Armenia's continued commitment to the rule of law," he said.



Hovhannes Manoukyan, Chairman of RA Court of Cassation, John M. Walker Jr., senior US circuit judge, and Hrach Sargsyan, Chairman of RA Association of Judges highlighted the importance of the "Commentaries" in promoting rule of law and ensuring effective functioning

COMMUNITY SYNERGY REVIVES VOSKEPAR



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NOVA
INNOVATIONS IN SUPPORT
OF REPRODUCTIVE HEALTH

Voskepar is a small community of 1,200 inhabitants in Tavush marz. Local lore says that what Voskepar lacks in size, it more than makes up for with determination. Most notably, Hrush Aghbalyan, elected two years ago as the mayor of Voskepar, is a woman with strong leadership skills and profound commitment to her community.

Hrush has been passionate about improving the living standards of her village, especially the village's sole health post. The roofless and unsafe building was closed most of the time as the village nurse could not reasonably work in such conditions and the setting was too unsanitary for the community to receive medical treatment there. When Hrush learned of the USAID Project NOVA's Seed Funds Grant Program, she immediately thought of requesting funds to improve the healthcare facility. She assembled an action group within the community to develop a budget and prepare a competitive proposal for the grant. The community's concerted efforts were wrapped with success.

The news of winning the grant was received with joy and enthusiasm in the village. Hrush went right to work: she mobilized the entire community for the reconstruction works, including her own office staff, and personally managed all the project activity. "I was very concerned about the implementation process. My entire office was engaged in the project, installing water pipes, painting the ceiling and the walls. When we finished the work, we realized that the entrance was also in need of renovation. We didn't want our women and children to enter the health post through an unattractive staircase and corridor. The community then contributed an additional 100,000 drams to finish the work which wasn't initially budgeted," says Hrush with pride.

"We are very thankful to USAID and Project NOVA for the support. The community now has a strong belief in our internal resources and capabilities thanks to the Seed Grant Program. It was a very important exercise for all of us," adds Hrush.

Just as important as the upgrades in the physical structure, the community nurse, who had participated in NOVA's Safe Motherhood Clinical Skills Training, received basic medical supplies and educational materials for the community. She is now anxious to provide primary medical services in the village and offer health consultations at the renovated post.

The USAID Project NOVA is a five-year program designed to improve reproductive, maternal and child health services in rural areas of Armenia. With 66 health posts renovated and over 1000 physicians and nurses trained in the north, the program currently covers about 170 healthcare facilities in five southern marzes of Armenia and serves over 250,000 people in rural communities. "We still have many other problems to solve in the community," says Hrush, "but we are now confident that we'll be able to tackle those problems and implement our plans."



Thanks to the village mayor's leadership and enthusiasm, the community of Voskepar is now able to receive health-care services in the village's renovated health post.

For more information about U.S. Government-funded projects in Armenia please visit our primary website at www.usa.am.

Please also visit individual programs websites: USAID/Armenia www.usaid.am, USDA/Armenia www.usda.am, Millennium Challenge Account - Armenia www.mca.am