

FOSTERING LOCAL ECONOMIC DEVELOPMENT IN ARMENIA THROUGH COMMUNITY-DRIVEN INITIATIVES

Donors:

Swiss Agency for Development and Cooperation (SDC) and German Federal Ministry for Economic Cooperation and Development (BMZ)

Total funding:

400.000 EUR

Implemented by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) in the framework of the Good Governance for Local Development South Caucasus Programme

Political partner:

Ministry of Territorial Administration and Infrastructure (MTAI) of the Republic of Armenia

About the Programme

The Good Governance for Local Development Programme South Caucasus (hereinafter "The Programme" or "GGLD") advises and supports respective partner organizations at national, regional (sub-national) and local levels in Armenia, Georgia and Azerbaijan in the implementation of cooperation initiatives towards improved local governance. It supports the improvement of frame conditions, addresses regional (sub-national) governance issues and works towards the improvement of capacities of key actors in providing citizen-oriented municipal services.

To increase transparency and accountability of local governance, the Programme advises

on the introduction of citizen participation and complaint mechanisms and support awareness raising for citizens. also supports the elaboration and application of tools and strategies for regional and local economic development.

In the context of the German international cooperation approach, the Programme's objectives are oriented within the framework of the Caucasus Initiative; thus, the improved professional exchange among the countries of the South Caucasus and their increasing cooperation are also objectives at regional South Caucasus level.

The Good Governance for Local Development Programme South Caucasus is the successor of the Good Local Governance in the South

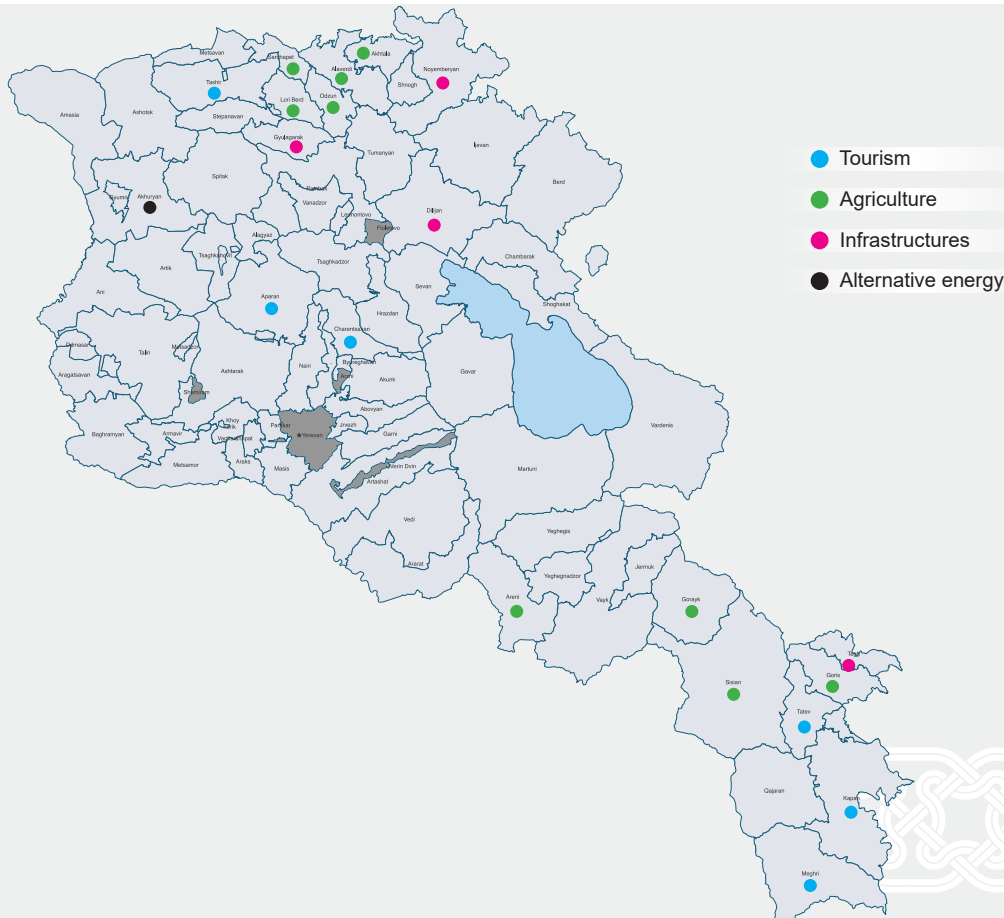
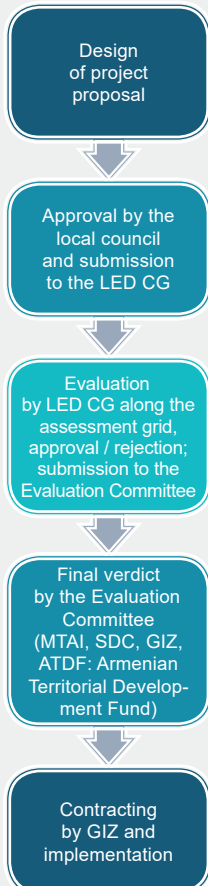
Caucasus Programme implemented on behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ) and in Armenia co-financed by Swiss Agency for Development and Cooperation (SDC).

The Programme is carried out in close cooperation with the Ministry of Territorial Administration and Infrastructure (MTAI) as the main political partner.

Objective

The objective of the grant scheme is the alleviation of the Covid-19 consequences in Armenian communities through grant initiatives for local economic development (LED).

Project approval procedure:



Ministry of Territorial Administration and Infrastructure of the Republic of Armenia



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Swiss Agency for Development and Cooperation SDC

Institutional setup

Established in 2021, the grant fund (Fund) allows for implementation of LED projects in consolidated multi-settlement municipalities of Armenia based on their priorities and assessed needs. With the aim to promote public-private partnerships and contribute to increasing the investment attractiveness of communities, the grant scheme offers a possibility to involve various actors in project proposal design, including the municipality (also joint proposals by more than one municipality), community-based organisations, start-ups, micro-businesses and entrepreneurs. The final project proposal should be approved by the local council (Avagani) and submitted to the Fund. The major criterion of the grant scheme is the socio-economic benefit for the community (e.g. job creation, increase of arable lands,

improvement of tourist attractiveness and business atmosphere, increase of budgetary flows of the municipality) without sector limitation. All projects must be reflected in the LED plans and Annual Work Plans (AWP) of the submitting municipalities and entail at least 20% co-financing by municipalities, stipulated in their annual budgets. The maximum grant value shall amount up to € 20.000 or, in case of inter-community initiatives, up to € 50.000. The administration of the grant scheme (advising on project proposals design, appraisal, monitoring and evaluation) is conducted jointly with the Core Group of LED officers (LED CG) from various municipalities (14 members as of May 2022).

Establishment of a solar photovoltaic power station for the kindergarten of Basen settlement (Akhuryan municipality)

The acquisition of a solar photovoltaic power station for the kindergarten of Basen village is a major achievement for Akhuryan municipality. Due to harsh and long winters in Basen, the kindergarten is non-operational during winter months. The installation of the solar station will allow for adequate heating of the kindergarten building and ensure uninterrupted pre-school education for the children of Based, Hovit and Jrrat villages. Besides, the solar station will reduce CO2 emissions by 87 tons in the course of 30 years and save ca. 2000 EUR in the municipal budget annually, which can then be directed to the implementation of other development initiatives.



Third phase of the establishment of community market in Noyemberyan

The north of Tavush province is famous for its fertile soil and mild climate, conducive to agricultural activities. However, due to the lack of an agricultural market, the farmers do not have a possibility to sell their produce directly to consumers. After the completion of the third construction phase through the grant fund, the market is only lacking internal furnishing to be fully operational. With 15 closed pavilions, 50 outdoor retail points and 5 truck sales points, the rentals will generate an own revenue of ca. 20 million AMD for the municipality.

Marz	Municipality	Sector	Project	Value AMD
Aragatsotn	Aparan	● Tourism	Establishment of a guest house chain	11,470,000
Lori	Alaverdi	● Agriculture	Renovation of irrigation network in Akori settlement	11,500,000
	Akhtala	● Agriculture	Construction of internal network of irrigation system in Tchotchkan, Mets Ayrum and Pokr Ayrum settlements	12,400,000
	Gyulagarak	● Infrastructures	Establishment of a tractor park	5,700,000
	Sarchapet	● Agriculture	Replenishment of machinery fleet (procurement of 4 pieces of auxiliary equipment)	10,620,000
	Tashir	● Tourism	Establishment of a tourist information centre/community hospitality centre	11,000,000
	Odzun	● Agriculture	Establishment of meat processing (canning) production	12,729,000
	Lori Berd	● Agriculture	Acquisition of agricultural instruments	12,000,000
Shirak	Akhuryan	● Alternative energy	Establishment of a solar photovoltaic power station for the kindergarten of Basen settlement	10,703,200
Syunik	Meghri	● Infrastructures	Reconstruction of Vank-Kaler bridge	12,380,000
	Goris	● Tourism	Establishment of an extreme park	12,090,000
	Sisian	● Tourism	Acquisition of a movable stage and pavilions	12,400,000
	Gorayk	● Agriculture	Replenishment of the agricultural machinery fleet (tractor and auxiliary equipment)	9,835,000
	Kapan	● Tourism	Improvement of garbage removal in 17 settlements (procurement and installation of garbage containers)	7,920,000
	Tatev	● Tourism	Establishment of «EcoHaleh» centre (maintenance of a historical site, hall for educational events, camping services, entrepreneurship training, etc.)	10,820,000
	Tegh	● Infrastructure	Establishment of a community development centre	10,000,000
Tavush	Noyemberyan	● Infrastructure	Construction of community market (3rd phase)	11,429,670
	Dilijan	● Infrastructure	Construction of pavilions for selling agricultural products	6,109,000
Kotayk	Charentsavan	● Tourism	Establishment of a horse riding centre in Arzakan settlement	11,229,150
Vayots Dzor	Gladzor	● Infrastructure	Construction of a machinery park and renting areas	12,400,000
	Areni	● Agriculture	Construction of internal network of irrigation system in Aghavnadzor settlement	7,785,000

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