



հայաստան համահայկական հիմնադրամ
The Armenia Fund



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Rural Development Program

DATE: 14 December, 2007
FROM: RURAL DEVELOPMENT PROGRAM IMPLEMENTATION OFFICE
SUBJECT: WEEKLY UPDATE OF THE ARMENIA FUND RURAL DEVELOPMENT PROGRAM

This week's highlights include update on the joint multi component project in the Khashtarak cluster villages to be implemented in collaboration with Heifer International as well as information on The Armenia Fund's small projects initiative and cooperation with Peace Corps.

KHASHTARAK CLUSTER DEVELOPMENT INITIATIVE



On December 11, 2007, The Armenia Fund Rural Development Program staff had a meeting with Anahit Ghazanchyan who is the country director for Heifer International Project Armenia Branch and Heifer experts. The aim of the meeting was to discuss Heifer's involvement in and contribution to the Khashtarak cluster development initiatives.

Heifer International has presented and is ready to co-finance a multi component initiative in the Khashtarak cluster.

Heifer Armenia/South Caucasus is a South Caucasus regional representative office of Heifer International, a non-governmental charity organization based in the United States. Heifer International was founded in 1944, and started its work in Armenia in November 1999. Heifer International helps resource-poor families become self-reliant by providing them with animals and training.

According to the initially presented proposal, fifty economically challenged families in five villages of the Khashtarak cluster will receive gravid cows and technical assistance in taking care of the cattle. After three years, the initial recipient families will pass on one cow as a gift to another family in the same community. This will ensure the continuity of the enterprise. Another



important element of the initiative is to ensure maximum community participation in determining the recipient families.

The wider picture includes varied assistance including help in improving the barn conditions, upgrade of the existing veterinary service and constant work with the community members to increase their participation in the development of the initiative. Parallel to this, the initiative includes creation of youth clubs, which will concentrate on educating and involving children and teenagers in farming activities. This goal is reached by establishing small farming endeavors.

Another point of the proposal suggested the establishment of a milk collection unit in the area. This structure would work as a cooperative with fifty co-owners.

Overall, these initiatives are very much in line with the aims of The Armenia Fund Rural Development Program on a number of levels. First of all, this is another example of concentrating the efforts of various international/local organizations and structures in the focus area. As one of the Heifer International experts stated, Heifer would have not included the Khashtarak cluster villages in their agenda at this time if it was not for The Armenia Fund's comprehensive effort in the area. At the same time, we need to carefully coordinate the different activities, so as to maximize the impact and minimize the project overlapping.

The establishment of a milk collection unit in the area by Heifer International is an example of such possible overlapping of activities as The Armenia Fund is planning to create a similar enterprise in the same area. The difference here is that Heifer aims for an institution based on the principle of a cooperative.

This kind of set up has proven highly ineffective in the past in Armenia and this is why, while establishing the milk collection unit, The Armenia Fund will be aiming at creating a working, profitable and thus sustainable enterprise, which would involve a private sector entrepreneur(s) from and beyond the region.

The key element here is to facilitate the economic development avoiding the pitfalls of controlled economy environment. In the end of the day, people in the rural areas need to be given the positive environment and adequate conditions to develop and prosper themselves.

As a result of our consultation with Heifer International we decided to divert the funds earmarked for establishing the milk collection unit to acquiring more gravid cows for the distribution in the focus area. This will obviously increase the otherwise limited impact on the communities, thus giving



people a real chance of establishing a constant and dependable source of profit, which will interlink with both the milk collection unit project and the rest of relevant activities in the area to offer a truly comprehensive solution.

SMALL PROJECTS INITIATIVE



The primary aim of The Armenia Fund Rural Development Program is to help people help themselves. Doing this requires extensive work on a number of different levels and through various means. To even out the opportunities and close the gap between urban population and people in the rural areas we need to implement a whole

spectrum of projects.

On a more major scale this means improved infrastructure, rebuilt schools, modern cultural centers and perhaps most importantly, the promotion and development of a healthy and investment friendly environment in which the local businesses will be able to work, grow and prosper.

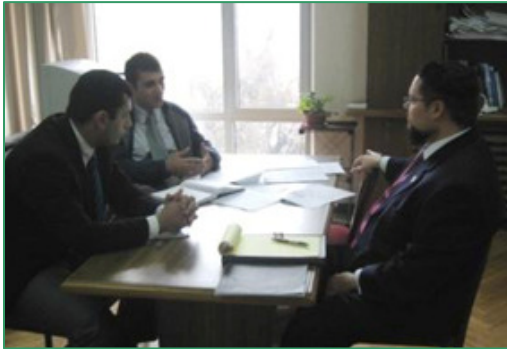
At the same time, there is another sphere of activities, which are just as important as rebuilding schools and constructing roads. These are small and financially low-cost projects, which nevertheless have strong impact on the communities concerned, bringing hope, enlightenment and empowering people. From now on, you can find information on the small projects, track the progress of the pending initiatives and adopt a project yourself at <http://www.himnadram.org/eng/?go=donate>.

The projects here range from providing the children with school consumables to buying computers for community libraries to presenting a farming household with automated milking equipment. These projects, besides having the obvious material value, are just as important on a psychological level, preventing hopelessness and giving people grounds for optimism and certainty that things will improve.

Thus, by participating in this effort today you can have your input in making the dreams of people in the rural communities come true – one village at a time.



COOPERATION WITH PEACE CORPS



On December 13, 2007, The Armenia Fund Rural Development Program staff had a meeting with Jason Compy, who is the Programming and Training officer for the Peace Corps Armenia. The aim of the meeting was to define the possibilities of cooperation between the two organizations.

The Peace Corps volunteers could provide the much needed on the ground knowledge and the capacity to share that knowledge with the community members in the border communities. Many of the projects undertaken by the Rural Development Program require that kind of knowledge and open mindedness. The volunteers' activities could range from the regular English language classes in the village schools, to organizing different extracurricular activities based on the new possibilities of the renovated libraries and cultural centers.

Mr. Compy expressed interest in cooperation with The Armenia Fund. There are several regulations that the Peace Corps headquarters need to comply with, such as the distance of the villages where the volunteers stay from the state border (it has to be no less than five kilometers). This is an issue mostly concerning the security of the volunteers, where the organization needs to be given a state guarantee that the area of the volunteers' activities is mine free. This issue is non existent in most of the villages included in the Program and we will try to put together the necessary documentation giving the volunteers the official OK.

Ideally, we would like to extend our cooperation to all the villages included in the Program, a point that Mr. Compy strongly supported. At the end of the meeting, we decided that Peace Corps Armenia will provide The Armenia Fund with the applications for volunteer request, which we can pass on to the village schools and other interested institutions for the application process.