



հայաստան համահայկական հիմնադրամ
The Armenia Fund



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Rural Development Program

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FROM: RURAL DEVELOPMENT PROGRAM IMPLEMENTATION OFFICE
SUBJECT: WEEKLY UPDATE OF THE ARMENIA FUND RURAL DEVELOPMENT PROGRAM

This week we focused on developing milk collection unit project, organizing a chain of community meetings in the Khashtarak cluster and preparing materials for vocational trainings.

MILK COLLECTION UNIT

We are holding regular meetings with both local and international experts, in our efforts to define a practical and simple approach to boost the milk production capacity in Armenia's border villages. The basic answer was and remains the establishment of milk collection units which would serve the needs of all the villages in the clusters of the Rural Development Program -



solving the problem of market accessibility and becoming a stable source of income.

While the basic concept is the same, there are some important variations which need to be area specific to suit the needs of specific communities. One approach is the creation of a large milk collection unit for the whole cluster. The unit would have a truck(s) to drive around all the nearby villages and collect the milk. There is a fixed time limit to the area that can be covered by one center for the milk to be transported and cooled while it is still fresh. The current standard stands at two hours, during which time the milk can still be utilized.

This variant can be applied in the Khashtarak cluster, where the villages are geographically adjacent to each other (the distance between villages doesn't



exceed 2-3 kilometers), making it relatively easy to cover the whole area of the cluster. Unfortunately, this is not a universal solution. Many of the 150 villages included in the Armenia Fund Rural Development Program cannot form geographically defined clusters. Some villages are almost completely cut off from the main roads; the others are simply too far from each other to be served by one milk collection unit.

The other potential problem is the notion that, to be sustainable, the milk collection unit needs to be a privately owned enterprise. Ideally, we would like to find a local entrepreneur or a dairy processing plant who would be interested in making a part of the investment. We would then work on creating a micro financing mechanism which would provide low percent loans. The establishment of a large milk collection unit is a costly initiative and while the return is significant, so is the responsibility.

Thus, we will have cases where the establishment of a single milk collection unit for the cluster is problematic due to geographic or economic reasons. One possible solution to the problem is the creation of smaller milk collection units, which will cost the fraction of the price of the large unit and serve the needs of only one village. On the one hand the small scale equals relatively small return; on the other hand, the establishment of such units serves as a fertile ground for developing local small and medium enterprises, where a rural household, with the help of micro financing, will be able to launch, sustain and develop their own business.

COMMUNITY MEETINGS

On October 27, 2007, The Armenia Fund Rural Development Program staff had a meeting with International Center for Human Development executive director Tevan Poghosian and experts of the Center. The ICHD aims at strengthening the civil society by a variety of means including the organization of community meetings, conducting research, analysis and trainings on topics of both local and regional importance.



The ICHD will be conducting community meetings in the Rural Development Program Khashtarak cluster, as part of our ongoing initiative to maximize the involvement of the community members in shaping the future projects and priorities.



The common procedure for such meetings includes creation of a representative sample of the community, division of the sample into groups, each of which has a facilitator who provides the general guidelines for the discussion. Usually ICHD conducted community meetings where there was a distinct dichotomy - several divisive issues are discussed, after which, each group votes in favor of this or that variant. This is not the case with the Khashtarak cluster villages as the community involvement in the RDP projects is a priority and the issues to be discussed are not as cut and dry as in other cases.

In the Khashtarak cluster the issue is more about acceptance of non traditional approaches to solving the various economic and infrastructural problems and awareness on various issues ranging from forest management and environment protection to communal participation and practical business approach to agriculture.

The ICHD experts in cooperation with the Rural Development Program staff are currently developing community meeting scenarios tailor made for the Khashtarak cluster communities. The first two community meetings are scheduled to take place on November 10 and 11, 2007.

VOCATIONAL TRAINING

One of the major tasks of the Rural Development Program is to provide the members of Armenia's border villages with access to information and education, which many of them are deprived of because of economic and social restraints. Thus, the villagers lack the know-how necessary for conducting successful agricultural and other activities.

The methods currently used are downright outdated and hinder the development of local businesses. There is very limited possibility of self education as the villages simply don't have even the basic literature on the practical topics such as growing a certain crop or taking care of the cattle. The efforts by different organizations to conduct trainings and seminars have been uncoordinated and the impact: limited.

To solve the issue we contacted both the Ministry of Agriculture and the specialized NGOs to find the right specialists who would provide up to date material for vocational training videos and also conduct practical community meetings and seminars. We also talked to major TV stations who expressed readiness to provide their technical capacity in filming and producing vocational training DVDs.