



հայաստան համահայկական հիմնադրամ
The Armenia Fund



ԳՅՈՒՂԱԿԱՆ ՉԱՐԳԱՅՍԱԿԱՆ ԾՐԱԳԻՐ
Rural Development Program

DATE: October 12, 2007
FROM: RURAL DEVELOPMENT PROGRAM IMPLEMENTATION OFFICE
SUBJECT: WEEKLY UPDATE OF THE ARMENIA FUND RURAL DEVELOPMENT PROGRAM

This week we focused our efforts on several issues including the advancing of Alishan LTD food processing initiative, development of prospective cluster in Lori, refurbishing of the cluster schools and establishing a model library in Azatamut.

FOOD PROCESSING



Following up the initial agreement reached with Alishan LTD food processing plant to provide a market for the produce grown in the Khashtarak cluster, Armenia Fund Executive Director Vahe Aghabegians accompanied by the Rural Development Program staff and Alishan LTD food processing plant's Serjik Movsisian and Georgik Abrahamian made a working trip to Tavush region on October 7, 2007. They visited Ditavan community, one of the six villages included in the Khashtarak cluster.

The villagers lack the information and know how on the whole spectrum of agricultural activities, starting from issues concerning the cultivation stage of certain crops and up to cost accounting and pricing. Mr. Movsisian suggested renting five to seven hectares of land from the villagers as a demonstration site. Alishan LTD will fully perform the first cycle; from cultivation on to harvest of the crops employing the villagers' help. The main objective of the initiative is to make the villagers familiar with the process and the result, only then will they be able to decide whether to grow certain crop and become the supplier to Alishan LTD or not.



During a follow up meeting with Alishan LTD on October 10, 2007, we discussed several issues concerning the project implementation. One of the potential issues we need to deal with is the overall mindset in the communities – because of continued isolation and lack of experience in free market relations; they are having trouble attracting the potential markets by offering a realistic and competitive price.

We will assist Alishan LTD by coordinating this pilot enterprise with the local authorities and finding the right expert in the field of agronomy who would research proposed land, local conditions and present all the necessary data for the project to get underway.

COOPERATION WITH INTERNATIONAL ORGANIZATIONS

As part of our initiative of synchronization our efforts with the international organizations, we had a meeting with the Swiss Agency for Development and Cooperation (SDC) concerning their possible contribution to the Milk Collection Unit project in the Khashtarak cluster's Azatamut community. The Swiss Agency for Development and Cooperation (SDC) is organized and funded by the Swiss government and operates by financing programs both directly and in partnership with other agencies to countries around the world.

SDC has implemented a number of projects in Armenia, including the establishment of veterinary points in the region of Syunik. The creation of a Milk Collection Unit is not an isolated enterprise but a complex solution for the milk production problem in the region. We see fully equipped veterinary points as an integral part of that solution. Extending SDC's experience in creating such veterinary points to the villages included in the Program was one of the key aims of the meeting with SDC regional coordinator Zara Allahverdian.

As a cooperation possibility, Ms. Allahverdian suggested SDC's expertise in developing veterinary points. Thus, SDC will present a full proposal on establishment of a veterinary point in Khashtarak cluster. With this data we will be able to define the steps needed to establish up-to-date veterinary points not only in Khashtarak cluster but also the future clusters. As another element of cooperation in the prospective clusters Ms. Allahverdian suggested their expertise in identifying the most sustainable economic components and determining the comparative advantage of the villages yet to be included in the Program.



Expanding the activities, the Rural Development Program will soon include clusters in Lori and Syunik regions of Armenia. Last week, the Armenia Fund experts visited Lori, where they performed wide scale research on the condition of infrastructure in the area concerned. This basic research and fact finding mission is one of the first steps in shaping the general approach to the new task. With the data collected, we now have overall understanding of the infrastructural needs of the region. The addition of proposal on economic facilitation possibilities that will be developed in collaboration with the SDC will be very important in shaping the overall development plan for the cluster. With the two key elements of infrastructural and economic data in place we will be able to get the full picture of the cluster specific issues and the potential solutions.

SCHOOL FURNITURE AND LIBRARY

The Armenia School Foundation is assisting the schools in Armenia with supplying new furniture. So far it has refurbished around fifty schools in eleven regions of the country. As a result of a series of meetings with the Foundation's Vahe Aharonian, we came to an agreement that the Foundation would be one of the program-wide solutions to the refurbishment of the schools in the villages included in the Rural Development Program clusters country wide.

We also had a meeting with Ms. Shake Havan who is interested in participating in an initiative to improve the library conditions in the Khashtarak cluster villages. We suggested choosing Azatamut village for the first phase of the library project. Azatamut is a perfect place for a model library and can be the center for cluster's library chain. The libraries in the other five villages will then become part of a book exchange and interlibrary cooperation mechanism. Azatamut is a suitable place for starting the project as it already has renovated school building where the new library can be located.

As a follow up a working trip to the region needs to be organized with Ms. Havan where she will observe the situation on the ground and discuss the subsequent steps of the project with the local libraries.