



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

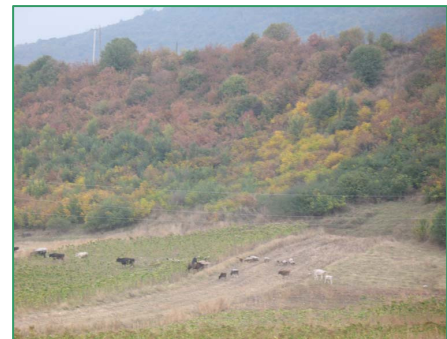
This week we finalized the details of the agricultural project in Khashtarak cluster's Ditavan community. As part of our ongoing cooperation with international organizations we had a meeting with the Swiss Agency for Cooperation and Development. We will cooperate with them on establishing veterinary points in the Khashtarak cluster villages.

DITAVAN AGRICULTURAL PROJECT



On October 25, 2007, the Rural Development Program staff visited Ditavan community. The aim of the visit was to finalize the legal details with the community members as part of the pilot economic facilitation project in the cluster. They signed the contracts leasing out their lands to Alishan LTD food processing plant for planting garlic. Seven hectares of land will be used for the project. The project implementation will commence on the Sunday, 28th of October and last through mid August.

The average size of the land received by Armenian farmers from the state is too small for a sound, profitable enterprise. Thus, on a relatively small seven hectares of land we had ten farmers all planting different crops and getting almost no return. An important aspect of the initiative is to show the villagers that they need to go one direction to succeed. Small land equals small return.



The possible solution is the collective farming, when the farmer cooperates with his neighbor, planting the same vegetable and multiplying the production. To get to that point, they need the know-how and the experience of planting a specific crop. Detailed seminars and trainings will be



conducted with the members of all the neighboring communities. Both children and the adults will participate. We also encouraged all the land owners to physically participate in the planting process.



By actively taking part in the initiative, people will acquire the life experience which will allow them to carry on successful business both in short term and long term perspective and continue functioning after The Armenia Fund has completed the work in the cluster. At the same time, we need maximally facilitate the learning process and take into account the possible pitfalls and limitations because we want people to have experience of success, of winning, of accomplishment, not failure and disenchantment.

VETERINARY POINTS

On October 23, 2007, the Rural Development Program staff had a follow up meeting with SDC regional coordinator Zara Allahverdian and the director of an NGO in charge of SDC's veterinary point projects in Syunik region Karina Harutyunyan.

During the preliminary meetings we had singled out the establishment of fully equipped veterinary points in the cluster as a potential cooperation sphere. Ms. Allahverdian expressed SDC's interest in the project. Thus, the NGO responsible for establishing veterinary points in Syunik will extend their activities to include the villages in the Khashtarak cluster.

The SDC will provide all the necessary equipment and the supplies and will also undertake the task of training both the veterinarian and the farmers. The project will not include the repairing of the veterinary point. The SDC's usual practice of repairing one room in the community administration building will not work in the case of Khashtarak cluster as all the community administration buildings need to undergo major restoration within the Rural Development Program.

Other sphere of cooperation, which we had talked about before is the provision of the SDC's expertise in determining the economic sustainability element in the Rural Development Program's future clusters. The SDC will provide the expert who will visit Lori and Syunik regions, where the two prospective clusters are located, and conduct detailed on the ground research on the economic development possibilities.



When we start active implementation phase in Meghri cluster, we'll be looking at a much wider range of possible cooperation spheres as SDC's activities are still largely focused in Syunik region. Ms. Allahverdian said that they too are planning a variety of projects near Meghri and will coordinate their activities with The Armenia Fund.

The SDC experts will now visit the Khashtarak cluster villages within the next week and get acquainted with the existing situation with the veterinary points. When the research is complete, it will take around one month to establish a functional veterinary point. It will then take around 11 more months of trainings and supervision before the veterinary points become self sufficient mechanisms.