

# Armenia

## Millennium Development Goals

Status of Implementation

Yerevan, June 2001

#### TABLE OF CONTENTS

•	Introduction	3
•	Abbreviations	4
•	Armenia in brief	5
•	Goal 1: Reduce Extreme Poverty	8
•	Goal 2: Food security	10
•	Goal 3: Improve Health and Reduce Child Mortality	13
•	Goal 4: Improve Reproductive Health	17
•	Goal 5: Access to Education	20
•	Goal 6: Gender Equality	22
•	Goal 7: Access to Basic Household Amenities	24
•	Goal 8: Improving The Environment	26
•	Conclusion	29

#### INTRODUCTION

International Millennium Development Goals

The Millennium Summit, the biggest event ever conducted by the United Nations with some 180 countries participating, accumulated the political will for positive change. With its collective wealth of knowledge, the group raised concerns and expressed its optimism. It also reiterated the commitments, goals and targets that have been raised and set at previous UN Global Conferences, placing priority on the reduction of poverty by one-half by 2015 as the main challenge for the whole world.

In response to a suggestion from UN Resident Coordinator and UNDP Resident Representative Ms. Katiça Cekalovic, Armenia has prepared a Progress Report on the International Millennium Goals. Information and analysis were provided by the Human Development Experts Club, using background papers prepared by the UN Country Office in consultation with relevant bodies and the Government. The Human Development Expert Club comprises all authors who have contributed to National Human Development Reports Armenia since 1995. The statistics presented here are official. Expert calculations are given in brackets. The goals and targets presented and covered in this Report have been selected to mark progress made toward achieving the Millennium goals worldwide.

#### The Report places emphasis on:

- the current status of the main eight goals
- opportunities for the country to reach its goals
- factors impeding and fostering the achievement of the goals
- expectations from the international community
- the UN System's activities
- issues of specific concern for Armenia other than the selected goals.

Members of the HD Experts Club have tried not to deviate from the suggested format, hence information and analysis are presented on all of the goals selected worldwide, even if some are not quite relevant to Armenia's current situation and problems. At the same time, given the multitude of countries facing similar problems, the current low living standards and high human capital, we thought it would be useful to mention also the most urgent and acute problems in a separate section, given that Armenia and such countries must strive to solve them in order to hold to their commitments in the broadest sense.

Apart from reporting on the status of the selected goals, we see this as an opportunity to express our concern and need for reflection on modifying the paradigm of change. A shift is called for, making the approach more human-centered and human-concerned, not only in financial terms but also in social and societal aspects.

Note: The goals and targets used in this Progress Report are exclusively based on the set of targets and indicators selected by the United Nations worldwide. Due to the dual transition – political and economic - that took place in many countries, data as of 1990 is either missing or not available, though an effort has been made to draw up a 25-year span of development, both in terms of dynamics and compatibility with other countries. -The official statistics sometimes do not coincide with our experts' evaluation. -However, the main reference is to the former, while the latter is presented in brackets.

The authors of this report express their gratitude to the UN Office for valuable background information, and thanks for the permission to use it at their discretion (point 5 fully reflects the information presented by the UN Office). The experts have made an effort, where applicable, to draw up different scenarios for development.

We hope that this work may serve as a starting point from which to move toward a more extended and multi-faceted work.

#### **Abbreviations**

AIDS Acquired Immunodeficiency Syndrome
AMD Armenian Dram (national currency)
CIS Commonwealth of Independent States
FAO Food and Agriculture Organization

FP Family Planning
FSW Female Sex Workers
GDP Gross Domestic Product

GEF Gender Empowerment Facility
HDR Human Development Report
HIV Human Immunodeficiency Virus

ICPD International Conference on Population and Development

ICT Information and Communication Technologies

IEC Information, education, communication

IFAD International Fund for Agricultural Development

IMF International Monetary Fund

IMR Infant Mortality Rate

ISSHD Integrated Support to Sustainable Human Development

MoH Ministry of Health

NGO Non -governmental Organization

NHDR National Human Development Report

NSS National Statistical Service
PAF Program Acceleration Funds
PPP Purchasing Power Parity

PRSP Poverty Reduction Strategy Program

RA Republic of Armenia
RH Reproductive Health
SH Sustainable Development

SFA System of Family Allowances
STI Sexually Transmitted Infections
TACIS Technical Assistance to CIS

U5MR Under 5 Mortality Rate

UN United Nations

UNDP United Nations Development Program
UNFPA United Nations Populations Fund
UNICEF United Nations Children's Fund

UNHCR United Nations High Commissioner for Refugees

UNOPS United Nations Office for Project Services

USAID United States Agency for International Development

USD United States Dollar

USSR Union of Soviet Socialist Republic

WB World Bank

WFP World Food Programme

#### ARMENIA IN BRIEF

Armenia gained independence in 1991 after the collapse of the USSR and started political and economic reforms aimed at the establishment of a democratic society oriented at market relations. The decade of reforms and transition, in spite of certain quite noticeable achievements and positive changes, highlighted the drawbacks of the nature and the implementation modality of the reforms in terms of human development. *Per capita* GDP decreased about two-hreefold as compared with pre-reform times. Real income of the population decreased nearly tenfold. More than 20% of the population left the country in search of employment and a better life. Armenia is ranked among those countries with midlevel development (72<sup>nd</sup> in ranking) though the situation could have been much worse if not for its high human capital. Economic recovery started in 1994 with 5% economic growth per annum on average. However it should be noted that the quantitative indicators do not fully reflect the dramatic decline in the quality of life, the breakdown of social cohesion and horizontal and vertical human relations, and declining belief in the future.

After ten years of transition and fluctuations in the economy, certain progress is observed during the first half of 2001 in export promotion. Armenia is making efforts to revitalize the spheres where it formerly had certain comparative advantage, among which are textile, food processing, chemical industry, processing of precious stones and production of mineral resources.

The government has proclaimed Information and high technologies as priority for development in 2000 and the steps undertaken by the country are aimed at promoting this sphere. Tourism seems to be another promising and perspective sphere for the country.

Despite the mentioned progress and steady though modest economic growth poverty is widespread in Armenia. The concept of poverty as an officially accepted phenomenon came into use only in the early 1990s. Currently more than half of the population (55%) is considered to be living below the poverty line (minimum consumption line) and 22.9% are below the food line. Poverty in Armenia is still considered to be of transitional nature (as opposed to structural). However, some trends of structural poverty are already noticeable, specifically acute polarization (the Gini co-efficient on incomes increased from 0.27 to 0.59); narrowed access to basic social services and persistence of certain poverty pockets.

Basic facts about the Republic of Armenia, 2001

Dasie facts about the	republic of All incina,		_
GENERAL			
'	Religion	Armenian Apostolic Church	
	Official Language	Armenian	
	Currency	Dram (AMD)	
	Exchange rate	1USD =539.52AMD	
	Fiscal year	January/December	
HUMAN	93/174 (HDR 2000) <sup>1</sup>	72/162 (HDR 2001)	
DEVELOPMENT INDEX			
LAND AREA		29, 743 km <sup>2</sup>	
		01.01.2000	01.01.2001
POPULATION		3,803,395 <sup>2</sup>	3,802,371
GDP PER CAPITA		485.0 USD	503.6 USD
LAND USE			
	Land used for agriculture		
	(thousand, ha)		
	Forests and reserves		1329 km <sup>2</sup>
	(thousand, ha)		
			1316 km <sup>2</sup>
	Land of other land-users		
	(thousand, ha		329 km <sup>2</sup>

<sup>&</sup>lt;sup>1</sup> HDRs present data with a two-year lag

<sup>2</sup> This is official data however the NHDR authors agree with other independent experts that the current population figure is close to 3 mln.

VITAL STATISTICS		01.01.2000	01.01.2001
	Population density (person/ km²)	128	128
	Population growth rate	0.2%	-0.05 %
	Population distribution		
	Urban	66.7%	66.6 %
	Rural	33.3 %	33.4 %
HEALTH			
	Life expectancy at birth	73.2 years	72.5 years
	Male	70.7 years	70.5 years
	Female	75.5 years	74.5 years
	Infant mortality rate	15.4 %	15.6%
	Maternal mortality rate	32.9	52.5
	Population per doctor	301.0	319
	Population per hospital bed	161	172
EDUCATION <sup>3</sup>			
	1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> level gross enrolment ratio (7 and 17 years, annual, %)	60.2	59.6
	Net school enrolment ratio, %	86.7	89.1
	1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> level gross enrolment ratio (7 -22 years, annual, per 1000 people), including	597	572
	years, annual, per 1000 people), including General education system (7-16 years)	790	776
	Secondary vocational education (17-20) <sup>4</sup>	129	113
	Higher education (17-22)	153	146
	Adult literacy rate	99%	99%
ECONOMIC INDICATORS		01.01.2000	01.01.2001
	Real GDP	1844.6 USD m	1915.2 USD m
	Real GDP growth (annual % of change)	3.3%	6.0%
GDP by main activity			
GDP by main activity	Industry	21.2%	22.1%
GDP by main activity	Industry Agriculture	21.2%	22.1%
GDP by main activity			
GDP by main activity	Agriculture	27.2%	23.1%
GDP by main activity  Inflation	Agriculture Construction Services Inflation (December of the current year as	27.2% 8.8%	23.1% 9.1%
	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year)	27.2% 8.8% 34.9%	23.1% 9.1% 35.2%
	Agriculture Construction Services Inflation (December of the current year as	27.2% 8.8% 34.9% 2.0%	23.1% 9.1% 35.2% 0.4%
Inflation	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year)	27.2% 8.8% 34.9% 2.0%	23.1% 9.1% 35.2% 0.4%
Inflation	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year) Inflation (average annual)  Total Revenues	27.2% 8.8% 34.9% 2.0% 0.6%	23.1% 9.1% 35.2% 0.4%
Inflation	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year) Inflation (average annual)  Total Revenues Total Expenditures	27.2% 8.8% 34.9% 2.0% 0.6% 356.8 USD m 432.9 USD m	23.1% 9.1% 35.2% 0.4% -0.8% 319.1 USD m 388.8 USD m
Inflation	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year) Inflation (average annual)  Total Revenues	27.2% 8.8% 34.9% 2.0% 0.6%	23.1% 9.1% 35.2% 0.4% -0.8%
Inflation  State Finances	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year) Inflation (average annual)  Total Revenues Total Expenditures	27.2% 8.8% 34.9% 2.0% 0.6% 356.8 USD m 432.9 USD m	23.1% 9.1% 35.2% 0.4% -0.8% 319.1 USD m 388.8 USD m
Inflation  State Finances	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year) Inflation (average annual)  Total Revenues Total Expenditures Budget Deficit	27.2% 8.8% 34.9% 2.0% 0.6% 356.8 USD m 432.9 USD m	23.1% 9.1% 35.2% 0.4% -0.8% 319.1 USD m 388.8 USD m
Inflation  State Finances	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year) Inflation (average annual)  Total Revenues Total Expenditures Budget Deficit  Balance of Payment	27.2% 8.8% 34.9% 2.0% 0.6% 356.8 USD m 432.9 USD m 76.1 USD m 383.1 USD m 919.1 USD m	23.1% 9.1% 35.2% 0.4% -0.8% 319.1 USD m 388.8 USD m 69.7 USD m
Inflation  State Finances	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year) Inflation (average annual)  Total Revenues Total Expenditures Budget Deficit  Balance of Payment Exports (fob)	27.2% 8.8% 34.9% 2.0% 0.6% 356.8 USD m 432.9 USD m 76.1 USD m 383.1 USD m 79.7 USD m	23.1% 9.1% 35.2% 0.4% -0.8%  319.1 USD m 388.8 USD m 69.7 USD m
Inflation  State Finances	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year) Inflation (average annual)  Total Revenues Total Expenditures Budget Deficit  Balance of Payment Exports (fob) Imports (fob)	27.2% 8.8% 34.9% 2.0% 0.6% 356.8 USD m 432.9 USD m 76.1 USD m 383.1 USD m 919.1 USD m	23.1% 9.1% 35.2% 0.4% -0.8%  319.1 USD m 388.8 USD m 69.7 USD m  444.3 USD m 963.3 USD m
Inflation  State Finances	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year) Inflation (average annual)  Total Revenues Total Expenditures Budget Deficit  Balance of Payment Exports (fob) Imports (fob) Private Transfers	27.2% 8.8% 34.9% 2.0% 0.6% 356.8 USD m 432.9 USD m 76.1 USD m 383.1 USD m 79.7 USD m	23.1% 9.1% 35.2% 0.4% -0.8%  319.1 USD m 388.8 USD m 69.7 USD m  444.3 USD m 963.3 USD m 78.2 USD m
Inflation  State Finances	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year) Inflation (average annual)  Total Revenues Total Expenditures Budget Deficit  Balance of Payment Exports (fob) Imports (fob) Private Transfers Current Account Deficit	27.2% 8.8% 34.9% 2.0% 0.6% 356.8 USD m 432.9 USD m 76.1 USD m 383.1 USD m 919.1 USD m 79.7 USD m -306.9 USD m	23.1% 9.1% 35.2% 0.4% -0.8%  319.1 USD m 388.8 USD m 69.7 USD m  444.3 USD m 963.3 USD m 78.2 USD m -278.4 USD m
Inflation  State Finances	Agriculture Construction Services Inflation (December of the current year as compared with December of the previous year) Inflation (average annual)  Total Revenues Total Expenditures Budget Deficit  Balance of Payment Exports (fob) Imports (fob) Private Transfers Current Account Deficit As % of GDP	27.2% 8.8% 34.9% 2.0% 0.6% 356.8 USD m 432.9 USD m 76.1 USD m 383.1 USD m 919.1 USD m 79.7 USD m -306.9 USD m 16.6%	23.1% 9.1% 35.2% 0.4% -0.8%  319.1 USD m 388.8 USD m 69.7 USD m  444.3 USD m 963.3 USD m 78.2 USD m -278.4 USD m 14.5%

<sup>&</sup>lt;sup>3</sup> Figures have been calculated based on the RA permanent population figure as well as the number of students of state and private educational institutions
<sup>4</sup> Including the number of students in preliminary vocational institutions

#### **GOAL 1: Reduce Extreme Poverty**

Target: Halve the proportion of people living in extreme poverty between 1990 and 2015

Indicators	1996	1998/99	2000	<b>2015</b> (half of 1998/99 (%)
1. Proportion of population under extreme poverty line (%)	27.7	22.9		1 <u>3</u> 4.5
2. <u>Number Share</u> of population included in the national <u>system of family allowance (systemSFA); including</u>		884,400	773,000	N/A
proportion of families in SFA (%)		27.2	24	

There is no officially adopted poverty line based on the calculation of incomes (expenditures). The proportion of population under extreme poverty was defined through two successive *Living Standard Measurement Surveys (LSMS)* in 1996 (5000 households) and 1998-1999 (3600 households) conducted by the RA National Statistical Service, with the technical and financial assistance of the World Bank. The minimum food basket served as a criterion of extreme poverty, calculated at 2100 Kcal, amounting to 6612 Drams (\$ 15.2 equivalent) in 1996 and 7194 Drams (\$ 13.7 equivalent) for 1998-1999.

Calculations with different definitions as thresholds of poverty with Purchase Power Parity (PPP) for Armenia are as follows; in case of \$ 1 of consumption expenditures -7.5% is poor; \$ 2 - 43.5%; \$ 4 - 86.3%<sup>5</sup>

The proportion of families included in the state system of family allowances (SFA), which has been operating in Armenia since January 1999, is based on the points accumulated for vulnerability by the family (carried out by social services). Since the SFA is undergoing significant changes, it is difficult to forecast what will be the social assistance for vulnerable groups in 2015, and which portion of the population will be targeted, hence the respective graph in the table is not filled in.

#### **•** CURRENT STATUS AND TENDENCIES

The two LSMS carried out in 1996 and 1998-1999 revealed that the proportion of Armenia's poor population has remained the same, at 55%. The proportion of the extremely poor population has decreased considerably - from 27.7% to 22.9% due to the introduction of the SFA. Hence, certain improvements with regard to combating extreme poverty are evident and this tendency seems to prevail. Moreover, in search of more effective solutions for Armenia, we suggest that efforts and resources be concentrated equally on the implementation of social, societal and economic technologies of development, since these approaches are being largely neglected by the international community.

#### 2 THE COUNTRY'S OPPORTUNITIES FOR ATTAINING ITS GOALS

According to the Interim Poverty Reduction Strategy Paper (I-PRSP), the proportion of the extremely poor should be reduced by 18% (and the proportion of the poor population by 48%) in 2003. If the current tendencies in the reduction of extreme poverty prevail, halving the proportion of the extremely poor will be achieved no later than 20068-20079.

<sup>&</sup>lt;sup>5</sup>Social Snapshot and Poverty in the Republic of Armenia, NSS, Yerevan, 2001, p.44.

### • FACTORS CONTRIBUTING TO THE SUCCESS OR FAILURE IN MEETING THE TARGETS

The attainment of the poverty reduction goals may be **hindered** by the following factors:

- the current deep polarization of society. The Gini co-efficient for *per capita* income equals 0.59-0.60 for 1996-99. Therefore, the results of economic growth can only minimally improve the life of the poor,
- the high level of corruption which can render ineffective any efforts of the State and international donors,
- the high level of unemployment; which is one of the highest in the CIS (about 11%).

The attainment of these goals may be **fostered** by the following factors:

- the average rate of economic growth has held at 5% during the last years,
- the policy of attracting foreign investments, supported by IMF and WB in the country,
- the policy of boosting local production in the country, especially in food processing, light industry, and high technologies,
- the development of export –led production,
- the policy of encouraging the development of small and medium enterprises.

The State's policy for poverty reduction is notable for the following:

- elaboration of the PRSP is expected to be completed by the end of 2001,
- transition to a more active state policy on assistance to the poor, for instance the introduction of "Allowance for Work" a large-scale program of public works,
- improvement of the system of family allowances to make it more poor-targeted,
- elaboration of special programs designed specially for disadvantaged regions of the earthquake zone and e-along the borders that have suffered from military activities.

#### **9** SUPPORT REQUIRED FROM THE COUNTRY'S DEVELOPMENT PARTNERS

In the process The Government, with the support of the World Bank, is in the process of preparing the fully fledged PRSP, where the Government foresees large and effective technical and financial assistance from all development partners. USAID is implementing a large scale program on the improvement of the social sector.. Considerable programs on poverty reduction and social development are being implemented by international organizations such as TACIS, IFAD, FAO, the governments of Japan, Germany, China, etc.

In fact, the strategic goals and targets put forth by the country are in line with the Millennium Summit, and are clearly articulated and in the process of realization.

In this regard the country needs could be concerned with:

- building national capacity on pro-poor policies and development of strategies,
- creation of social and poverty monitoring and analysis system,
- -\_\_\_\_community development and social budgeting as well as organisation of participatory process and a public awareness campaign,
- putting more emphasis on the social, ethical and moral aspect of development programs.

#### **6** SUPPORT OF THE UN SYSTEM

The UNDP will-assists the Government in the following fields related to poverty reduction:

- advocacy through the preparation and publication of the NHDRs,
- development of sustainable human development (SHD) approaches within the umbrella of human rights, environment and gender in the final PRSP.
- assessment of progress in the areas of social and human development,

Formatted

Formatted: Bullets and Numbering

Formatted

- technical assistance in improving governance through the implementation of a threeyear program on ICT-(ARM/01/001),
- support in creation of social monitoring and analysis (M&A) systems through the implementation of project ARM/01/002, development of sustainable human development approaches within the umbrella of human rights environment and gender in the final PRSP,
- assessment of progress in the areas of social and human development,
- capacity building in pro-poor policy-oriented analysis and the PRSP impact assessment from the sustainable human development viewpoint.

#### PROBLEMS SPECIFIC TO ARMENIA

For Armenia that lost a large part of its economic potential and experienced the decrease of the living standards after the collapse of the USSR, the establishment of greater social justice and reduction in extreme poverty are certainly urgent issues. However, in search of more effective solutions for Armenia, we suggest that efforts and resources be concentrated equally on the implementation of social, societal and economic technologies of development, since these approaches are being largely neglected by the international community.

#### GOAL 2: Food Security

Target: Halve the proportion of people who suffer from hunger by 2015.

Indicators	1996	1998/1999	2015 (half of 1998/99,-%)
1. <u>Proportion Share</u> of population below minimum level of dietary energy consumption, 2100 Kcal (%)		22.9	10-12

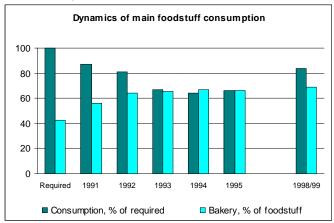
Surveys or evaluations on food security have been carried out only starting 1996. There are several levels of dietary consumptions in Armenia suggested or calculated by different bodies — 2,412 Kcal per capita as rational food basket recommended by the RA Ministry of Health; 2100 Kcal per capita calculated as factual consumption of food according to LSMS 1996 and 1950 Kcal per capita recognized by FAO as minimum energy requirement. Given the latter, Measuring food security is a serious issue for Armenia. Surveys, calculations or evaluations have been carried out only starting in 1996. Some improvement is observed in the share of population with lower level of dietary energy consumption. At the same time, a rational food basket calculated in Armenia in 1997 and not yet officially recognised amounts to 2,412 kcal daily per capita.

However, the depth of hunger—per person food deficit—of the undernourished population within the country is not available yet in Armenia. In line with the minimum energy requirements recognised by FAO for Armenia—1950 kcal/person/day, the share of undernourished in 1996-1998 was 21% (0.7 mln persons of total 3.6°). The depth of hunger or food deficit measured as a difference between the above mentioned minimum energy requirement and diary energy supply of the undernourished was very high - 2100 kcal/person/day, (see Graph 1), ranking 104<sup>th</sup> globally and 12<sup>th</sup> among FSU countries.

#### **O** CURRENT STATUS AND TENDENCIES

<sup>&</sup>lt;sup>6</sup> The state of food insecurity in the world: 2000. Food and Agriculture Organization of the United Nations, p 28

After the collapse of the USSR and the ensuing economic difficulties, food security in a broader sense declined rapidly up to 1995. \_Though certain improvements have been registered by the Living\_Standard\_Measurement\_Survey of 3600 households -carried out between 1998-1999, food security remains yet an urgent challenge for Armenia. Moreover, some increase in per capita average diary energy was accompanied by enlargement of the share of bakery\_\_(close to 70% in 1998/99 vs. 66% in 1995).



The evaluation of food security in terms of trends concerns availability areveals—nd accessibility of foods. Where availability is concerned, that per capita domestic output of key agricultural products remains much below the required minimum consumption norms and has been aggravated by the 2000 drought. Though the The share of net imports of main foodstuff (17 types) in the domestic market remains high (around 42% in 1996 and 41.1% in 2000). At the same time, the poorest do not yet feel the benefits of the growth of availability of some types of foods due to the increase of output and imports and the fall of retail prices in the domestic market. According to findings of a recent survey, consumption of bread by richest deciles of the population (18 kg per person per month) is higher than that of the poorest deciles (10.8 kg. per person) 1.7 times, while consumption of meat (1.83 kg per person per month) is 14 times higher as compared with that of the poorest decile (0.13 kg per person per month).

In terms of food aAccessibility, it of foods is limited essentially by very low incomes of the population in general, and vulnerable groups in particular. At the same time, the gap between the cost of per capita subsistence baskets and average money incomes, which widened during the early stage of transition, has started slowly to narrow. However, from 1998-99 food expenses absorbed about 70% of total money expenditures (vs. 43% in 1990).

So what is the tendency?

#### **2** THE COUNTRY'S OPPORTUNITIES FOR ATTAINING ITS GOAL

The country could be considered to be on track towards attaining the goal given the government's efforts. The Government is undertaking steps to direct its policies towards meeting the objectives of the Structural Food Security - in order to provide necessary conditions and ensure a stable, accessible ensure a stable, accessible, healthy and diversified food supply to all categories of the population. The major elements of this policy are a Macroeconomic policy (which includes setting up transparent conditions for commercially

<sup>&</sup>lt;sup>7</sup> Social Snapshot and Poverty in the Republic of Armenia, NSS, Yerevan, 2001, p. 39.

imported food supplies), an **Agricultural policy** that is aimed at supporting the development of the domestic supply and **Support policies** which enhance access to food.

To halve malnutrition in Armenia by 2015, food production should increase at least by 3% per year (vs. average of 2.1% for 1990-2000) and GDP *per capita* should reach levels of USD 1000-1500 (vs. 503 in 2000). This target might easily be achieved if current emigration tendencies will remain at the same level.

### • FACTORS CONTRIBUTING TO THE SUCCESS OR FAILURE IN MEETING THE TARGET

Due to its difficult geographical relief, Armenia faces a complicated situation, insofar as pressure on its arable lands is one of the highest in the world (on average 0.36 ha per inhabitant). Given the scarcity of land in the country, <u>overall significant</u> efforts <u>on the intensification of land use (which efforts?)</u> obviously must be <u>made. intensified.</u>

Attaining the goal of food security may be hindered by the following:

- the scarcity of land, its distribution in small parcels (1.38 hectares per farm on -average),
- inadequate technological equipment for production and management of -the agricultural infrastructure,
- -lack of market infrastructures (financing, intermediate marketing),
- lack of access to reliable irrigation,
- -need for restoring soil fertility (in irrigated and non irrigated area),
- need for cropping,
- -need for introducing normal agronomic technological equipment ensuring sustainability,
- absence of a coherent and comprehensive food security assessment and monitoring methodology which would facilitate the development of relevant indicators.

Attaining the goal may be fostered by the following factors:

- natural comparative advantages such as a climate that allows for a range of temperatures for vegetables and fruits,
- availability of water (with the existence of an inherited extensive irrigation network).

The State's policy for food security and poverty reduction is notable for the following:

- early land privatisation (since 1991) and liberalisation of entrepreneurial activity and foreign trade, membership in international organisations, etc.,
- a rational food basket was calculated for the country in 1997, amounting to 2,412 kcal daily per capita. Based on this basket the minimal food budget and minimal consumption basket are calculated quarterly by the RA National Statistical Service. For the 4<sup>th</sup> quarter 2000 the value was about 27 USD, and the consumption basket—45 USD per capita. introduction of the system of family allowances (FSA), which contributed to sSome improvement in food security.—should be ascribed to the introduction of the family allowances system as of 1 January 1999. Currently about 192,000 families (out of a total of 880,000 officially stated) are included in the list of beneficiaries. The average amount of allowance is about 25 USD—equivalent AMD dollars per month per beneficiary family, which is equal to half the average salary of an employee.
- PRSP for a three-year period is in the process of elaboration and under discussion as well.

### **4** SUPPORT <u>REQUIRED ANTICIPATED</u>—FROM THE COUNTRY'S DEVELOPMENT PARTNERS

Assistance from the international community would be needed to set up cooperatives of farmers, savings and credit organizations, marketing services, improving infrastructure,

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

as well as in providing long-term credit resources, establishing a Food Security Observatory and so on.

#### **9** SUPPORT OF THE UN SYSTEM

- UNICEF Nutrition Programme
- UNHCR-WFP Food for Work Scheme
- WFP "Assistance to Drought Victims" Emergency Operation
- <u>UNDP/UNOPS Integrated Support to Sustainable Human Development UNDP/UNOPS ARM/98/007 ISSHD</u>-Project
- FAO project on emergency seed distribution to farmers affected by the drought of 2000

Among the main donors, the IMF and WB\_IMF and WB are embarking upon several new programmes and are proposing new loans to Armenia. The donor assistance available for Armenia in 2001-2003 could amount 620 mln USD. This assistance partially would be directed to S&ME development and poverty reduction. Armenia and IFAD signed the third IFAD project loan an Agricultural Services Development. The project has a total value of 18.1 million USD, and will be implemented over a 4-year period in seven regions.

<u>I need the concrete names of the programs.</u> are embarking upon several new programmess and are proposing new loans to Armenia. The various services of the European Commission, which offer grants (not loans) designed to alleviate poverty, are also active in Armenia. Armenia and IFAD signed the third IFAD project loan an Agricultural Services Development. The project has a total value of 18.1 million USD, and will be implemented over a 4 year period in seven regions.

#### PROBLEMS SPECIFIC TO ARMENIA

The issues mentioned above related to targets for food security adequately reflect Armenia's needs and will long continue to be urgent issues.

#### **GOAL 3: Improve Health and Reduce Child Mortality**

Targets: Halt and begin to revise by 2015 the spread of HIV/AIDS. Reduce child mortality rates by two-thirds by 2015.

Indicators	19 <u>90</u> 90	2000	2015
	(Or nearest	(Or latest year available)	(Estimate)
	year available)		
<b>People living with</b>	From 1988 to	135 (81% is 20-39 years), out of which	N/A N/A
HIV/AIDS HIV	<u> 1995 – three</u>	75% male and 25% female (reported)	
prevalence rate among	cases	1500 (estimated) 101(total); 34 (w)	
adults (15-49 years)%	3 (total); 0 (w)	81% among 20-39 years (official)	
		1500 (estimated)	
Child mortality, up to one	22-24	14-15	12-13
year (per 1000 live births)			
Referred to as IMR.			
Under 5 mortality	23.8	19.2 (1999)	N/A <u>8</u>
rate (per 1000 live birth)	29.3 -WHO		10 (WHO) Formatte
Referred to as U5MR.			
Referred to as U5MR.	National target	National target for 2000	
	for 2000	<u>15.9 (official);</u>	
	<del>15.9 (official)</del>	<u>19.6 (WHO)</u>	
	<del>19.6 (WHO)</del>		

It is impossible to present any figures on HIV prevalence among adults since there have been no sufficient surveillances and calculations, and no prognosis since the Situational Analysis on HIV/AIDS in Armenia was conducted in 2000 for the first time.

#### • CURRENT STATUS AND TENDENCIES

The number of HIV infection cases reported within the recent 2,5 years exceeds the number of the cases registered in all previous years combined, started from 1988. According to the data of the Sentinel Epidemiological Surveillance, the rate of HIV prevalence among injecting drug users is approximately 14%, —among Female Sex Workers (FSWs) - in the range of 0,5-6%, among persons in places of confinement that belong to groups at high risk of infection (homosexuals, injecting drug users, individuals with STIs and clinical symptoms) is in the range of 8,8%. The increasing tendency is evident.

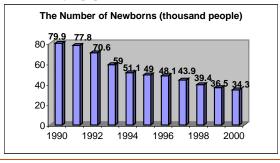
 $\Diamond\Diamond\Diamond$ 

Child mortality indicators achieved in the country, though far behind the same indicators in the developed countries, are still quite satisfactory given the current situation in the country.

In general, the improved social demographic indicators (child and maternal mortality) have led to serious discussions among specialists. Given the overall and nationwide decline of the

economic situation, living standards, the quality of all social systems, including public health services, it would have been more logical to observe diametrically opposite tendencies. Though, it should be mentioned that the reduction in the number of second and third birth in the families as well as the massive technical assistance rendered to country's medical institutions by foreign medical institutions have contributed to the process.

<u>In both cases, (Bring in the deleted text on second, third child bear).</u> the Currently Armenia faces a more serious issue - the disastrous and steady decrease of birth levels observed over the last decade (from about 80, 000-thousand by the end of the '80s, to 34.300 thousand-in 2000). This tendency, together with large-scale migration, contribute to a continuous decrease of the country's population.



The same holds true for the significant decrease of maternal mortality in the last decade. The most probable reason for such a phenomenon specialists ascribe to the reduction of the share of second and third births in families as well as the massive technical assistance rendered to the country's medical institutions by foreign medical institutions.

Structurally it seems a bit skewed

#### **2** THE COUNTRY'S OPPORTUNITIES FOR ATTAINING ITS GOAL

<u>Due to the lack of regular-serveillances surveillances among different gropups of population, it is impossible to make any projections or set definite goals for 2015. However, -the situation could be aggravated since the</u>

The-issue of HIV/AIDS is characterized by stigma and discrimination at different levels and there is evident lack of awareness about HIV/AIDS among the population. The population's vulnerability towards HIV/AIDS is manifested by the fact that ... There is an evident lack of awareness about HIV/AIDS among the population. The following circumstances attest to the vulnerability of the population to HIV:

within 2000?????, the previous year 67% of men and 14% of women had at least one partner other than the permanent sexual partner:  $\frac{1}{12}$ 

-during their last risky sexual contact, 62% of men and 75% of women used condoms during their last risky sexual contact, while ;

882% of men and 56% of women have\_never\_used\_condoms;

-11% have engaged in drug abuse; -

-1,6% have used illegal drugs intravenously; ;;

-21,3% knoow people who are engaged in intravenous drug abuse.

**>>>** 

The recent Demographic and Health Survey, 2000 (USAID, MOH), indicates a higher figure of IMR/U5MR than the official statistics, though both show a slight declining tendency-8.

In Armenia, measures to combat infant mortality have included programs aimed at the control of Acute Respiratory Infections (ARI) and Diarrhea Diseases (DD), —which together contributed to nearly 40% of all infant deaths in early 1990s. Following implementation of these programs there were significant reductions in ARI and DD cause specific mortality rates of 21% and 45% respectively between 1900 and 1997. Although the declines are encouraging the overall rates do not reflect regional disparities<sup>9</sup>.

At the same time, there is no clear, comprehensive and convincing understanding of the observed positive tendencies at present and it is very difficult to predict tendencies or the state of affairs in the medium term. Will the above-mentioned factors exist or have a similar impact in the future? -Above all, will significant material and methodological assistance continue to be rendered to the country's health system? Obviously the country does not possess sufficient resources of its own to afford the expensive arrangements needed to keep on track for decreasing child and maternal mortality.

### ● FACTORS CONTRIBUTING TO THE SUCCESS OR FAILURE IN MEETING THE TARGET

Attaining the goal may be hindered by the following factors:

- Extensive migration processes mainly in the direction of the CIS where HIV is epidemic (e.g. Russia, Ukraine). Therefore, exposure to HIV infection is rather high for this section of the population (casual sexual contacts, drug addiction).
- Insufficient awareness in the <u>Rrepublic</u> on the part of the Government and the Parliament
   as to the problem's urgency and p Passive attitude towards the problem of HIV/AIDS
   prevention on the part of various organizations and authorities (scientists, cultural and art workers).

<sup>8</sup> Source: DHS/Armenia, 2000 preliminary report-.USAID and MOH. Yerevan, February, 2001. The final report will available by the end of 2001.

<sup>9</sup> A Situation Analysis of Children and Women in Armenia 1998. Government of Armenia, UNICEF, Save the Children, Yerevan 1998

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

**Formatted** 

Formatted

**Formatted** 

Formatted

Formatted

Formatted

 Criminal charges in force, according to the operating <u>RA</u> Criminal Code on drug use and pederasty are insufficient.

State programs on HIV/AIDS prevention are not implemented due to lack of adequates financial resources. The new National Program on HIV/AIDS prevention is in the process of elaboration to be adopted by the government.

**Formatted** 

Formatted: Bullets and Numbering

 $\langle \rangle \langle \rangle \langle \rangle$ 

- Chronic malnutrition among U5MRehildren under five years has increased from 12% in 1998 to 14% in 2000.
- Significant regional variations in the prevalence of stunting also reveal acute social and economic disparities across regions and populations in Armenia. Gegharkunik, one of the 11 regions in the country, reported stunted growth among 31% of stunting children under five (preliminary data of DHS 2000).
- —Constant decline of public expenditures and investment in the social sectors, including health.

-Lack of awareness and knowledge among decision makers and within society in general on HIV/AIDS and therefore low priority is given to this newly emerging problem. Need to reinforce the prioritization of HIV/AIDS problem by the government and development partners and provision of overall support in the implementation of the national Strategic Plan on HIV/AIDS prevention.

-Tthe low level of the country's economic development and narrowed access to the

- the existence of a large portion of population for whom access to modern medical services, as well as primary health care and birth-giving has significantly narrowed ((though that segment of the public health system is formally free-of-charge)...
- <u>L</u>limited resources of both central and -local self-governmental budgets to finance health care institutions, which also concerns women of childbearing age and adversely impacts their -reproductive functions, causing different pathologies of the *foetus*.

Attaining the goal may be fostered by the following factors:

- The necessary personnel are available: . In the Republic, there is a National Center for AIDS Prevention, which has considerable tremendous scientific and practical potential.
- The Ministry of Health has approved the National Strategic Plan for a Response to HIV/AIDS in Armenia, which serves as a basis for a National Program acceptance.
- Experienced NGOs non-governmental organizations—are involved in HIV/AIDS prevention.
- International organizations (UNAIDS, UNDP, UNFPA, UNICEF) are aware of the problem's urgency and are ready to help. <u>this is strange UNAIDS is the main implementing agency</u>
- The Republic's mono-ethnic population and its residence on a compact territory facilitate preventive activities.

 $\Diamond\Diamond\Diamond$ 

- The strong commitment of Armenian society towards children's well being.
- Well developed infrastructure of primary health care nationwide.
- High capacity to implement programs in IMR/U5MR and experience.
- -The emergence of new groups and organizations sustaining new approaches and initiatives (e.g., the role of the private sector in the local production of iodized salt, local specialized NGOs active in the field) -of HIV/AIDS and STIs prevention).
  - the continuing material-technical and methodological assistance provided by developed countries and international organizations, including the medical organizations of the Armenian Diaspora.
  - the presence of qualified personnel in the country's health system.
  - the presence of a wide network of medical institutions, including pediatric health care at primary and secondary levels.

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

**Formatted** 

Formatted

The State's policy for <u>improving health and reducing child mortality</u> food security and <del>poverty reduction is notable for the following:</del>

- The law "On <u>P</u>prevention of the <u>D</u>disease <u>C</u>eaused by Human Immunodeficiency Virus" was passed by the National Assembly in 1997.
- High priority given to basic concepts for healthy growth in government health policies (e.g., reforms in the primary health system, strengthening the national immuniszation program, introducing integrated management of childhood illnesses, parental education on home management of diarrhea-causing diseases and acute respiratory diseases, support for a national salt iodisation program, and others).
- The PRSP and general reforms of the health system envision some measures to ensure wider access to health care for the vulnerable groups of the population, which will probably have a certain impact on the further reduction of child mortality.

### ● SUPPORT <u>REQUIRED</u> <u>ANTICIPATED</u> FROM THE COUNTRY'S DEVELOPMENT PARTNERS

The partners should mobilize resources from international donors to apply them to the sphere of HIV/AIDS prevention

\_\_. Successful and effective fundraising is necessary on the part of the partners to provide financial support for the implementation of the National Strategic Plan. Advocacy and support to establish multi-sectoral inter departmental responses could be a significant contribution to attaining the established goals.

Reproduction of the population is a process, the quantitative and qualitative characteristics of which are influenced not only and not as much by medical, but also by psychological, social and even political factors. –Obviously, the further reduction of child mortality indicators (which are already sufficiently satisfactory) will require from the country considerable resources that are not available in the medium term. In this regard, one could hope that different development programs which are realized in the country with the help of foreign partners will have a positive impact on the reproductive process of the population.

Specific areas where the support of development partners is urgently needed include:  $\underline{\text{In the HIV/AIDS sphere}}$ 

- financial support for the implementation of the National Strategic Plan,
- advocacy and support to establish multi-sectoral inter-departmental responses to HIV/AIDS prevention,
- recognition and prioritization of HIV/AIDS prevention as a major challenge for Armenia.

#### In the reduction of Child Mortality

- -\_\_\_the provision of adequate maternity homes, 22222222222
- improvement of delivery rooms delivery rooms in remote, high mountainous villages where, due to the lack of communications, relatively high costs and the absence of special vehicles, women face difficulties in reaching regional maternity hospitals to deliver their children.
- better coordination of efforts in the health sector/child health in general.

  -recognition and prioritization of HIV/AIDS prevention as a major challenge for Armenia.

#### **5** SUPPORT OF THE UN SYSTEM

#### - Current projects:

- UNDP/UNAIDS. —Support for the Institutional Strengthening of the Government of Armenia and Civil society for adequate national response to HIV/AIDS;
  - . (Within the framework of UNAIDS Program Acceleration Funds (PAF) grants, 2000-2001).
- \_\_\_UNICEF/UNAIDS. Preventive Activities on AIDS. -Youth Health and Development. (Within the framework of UNAIDS Program Acceleration Funds (PAF) grants, 2000-2001)."Prevention activities on AIDS in Armenia"; 1997-2000
- 4."Support to the National Strategic Planning"
- "Process for a National Response to HIV/AIDS in Armenia"; 2000
- 6- UNFPA. Training of teachers, students, educators and local authorities in Yerevan and 7-regions on HIV/AIDS issues (1998 2001):

Incorporation of HIV/AIDS counselling and possible referring for voluntary testing into the services of primary RH/antenatal/FP cabinets.

#### $\Diamond\Diamond\Diamond$

Current Projects contributing at reduction of IMR/U5MR:

Formatted: Bullets and Numbering

#### **UNICEF** supported

- Expanded Program of Immunization(procurement and distribution of 7 types of vaccines assuring national coverage, procurement of cold chain equipment, indicators, syringes, and safety boxes; training of health providers and public information campaign; revision of reporting system at health facilities).;
- Safe motherhood. Strengthening of pre-natal, obstetrics and new-born care. (provision of basic equipment and essential drugs, provision of training seminars for health providers, assessment of facilities in regions, public education campaign on healthy pregnancy; development of education materials on health pregnancy in classes);
- Integrated management of childhood health (training of health providers, introduction of model in <u>certain</u> regions, <u>of Tavush and Gegharkunik</u>, provision of basic equipment);
- Breastfeeding promotion. <u>(Series of training sessions in regional maternities; regular monitoring and evaluation of the Baby Friendly Health Initiative (BFHI) implementation in maternities.</u>

#### PROBLEMS SPECIFIC TO ARMENIA

Currently Armenia faces a more serious issue—the disastrous and steady decrease of birth levels observed over the last decade (from about 80 thousand by the end of the '80s, to 34.3 thousand in 2000). This tendency, together with large scale migration, contribute to a continuous decrease of the country's population.

#### **GOAL 4. Improve Reproductive Health**

Targets: Reduce the maternal mortality rate by three quarters by 2015 (half by 2000, half again by 2015);

Achieve universal access to safe and reliable contraceptive methods by 2015.

Indicators	1990	1999	2015
Maternal mortality (per 100,000	40.1	35.6	<del>8.9</del> 10
births)			
Proportion of women of	8.4	69* (35-40)	100
childbearing age with access to			
contraception (%)			

\*Source: Demographic-Health Survey, Armenia 2000

#### • CURRENT STATUS AND TENDENCIES

Fluctuations in the rate of maternal mortality characterize progress, though uneven. Given Armenia's widespread poverty and narrowed access to and affordability of health care services for a significant portion of the population, an increase rather than decline in maternal mortality rather than increase would have been more explicable. On the other hand, a drastic, almost threefold reduction in the number of births in the country, including women giving birth at an older age who are more prone to dangerous complications, has resulted in reducing potential maternal mortality. The international community's extensive assistance in equipping many maternity hospitals in Armenia with modern equipment has also contributed to the reduced maternal mortality.

Contraceptive accessibility has shown considerable improvement (though official and expert assessments differ significantly) due to a number of projects which have been implemented with the support of UNFPA and other donor partners in cooperation with the Government.

Due to multifarious <u>nature</u> and complicated interpretations of the process in question it is difficult to predict future tendencies clearly, since the positive trend observed may reverse if not properly addressed.

-One of the most serious problems in the sphere of reproductive health currently for Armenia is the threatening decline in the number of marriages - from 28 to 30,000 per year in the late 1980s and early 1990s down to -10,900 in 2000. According to the results of sample demographic surveys, more than 30% of women -aged 25-30 are not married. This is mainly ascribed to emigration from the country of men of the same age, as well as such difficult socio-economic and psychological reasons as mass unemployment, uncertainty in the future, the reluctance of many young people to undertake the responsibility and the burden of a family and children given global ambiguity and the absence of social guarantees.

#### 2 THE COUNTRY'S OPPORTUNITIES FOR ATTAINING ITS GOAL

In regard to evaluating the country's opportunities for attaining this goal, the opinions of the government and experts differ. The Government's belief in the attainability of the goal by 2015 is based on its political commitment towards overall improvement of reproductive health, reinforced as one of the main long-term goals of the National HR Program.

Experts contend that reducing maternal mortality by three quarters by 2015 cannot be achieved, since it requires allocation of significant resources. The undertaking will be very costly since the reduction of every new point given the sufficiently low rate, will require many more resources. Experts believe that, given Armenia's current difficult socio-economic situation, it is not realistic to expect significant state allocations for the health sphere in the medium term.

The number of women having access to safe and reliable contraceptive methods is on the increase, but an uninterrupted supply of modern methods for contraception is not sustainable yet. –The process influencing family culture in regard to family planning, though moving slowly, is becoming part of life. The existence of a network of 77 reproductive health clinics along with a widespread network of pharmacies all over Armenia contribute to achieving the goal.

### $\ensuremath{\bullet}$ FACTORS CONTRIBUTING TO THE SUCCESS OR FAILURE IN MEETING THE TARGET

The attainment of the goal may be hindered by the following factors:

- the overall slow economic growth and low indicators of economic development of the country, worsened living <u>-standards</u>, which render adequate health care and health care unaffordable on the whole, particularly for women in childbirth,
- -\_\_an unsatisfactory state of affairs with the currently functioning health care system, which-which has yet not managed to adapt to market realities,
  - the protracted and complicated course of health sector reform,
  - the longstanding traditions, especially in the regions and rural areas, which hamper the implementation of modern methods of family planning.

Attaining the goal may be fostered by the following factors:

- <u>noticeable Inoticeable results</u> in the ongoing health reforms, which envision optimisation and decentralization of the health sector with more clearly defined health assistance to vulnerable groups (free of charge),
  - introduction of health insurance schemes,
  - establishment of a modern system of social monitoring in the framework of PRSP,
  - gradual enhancement of the culture in terms of gender equality, family planning, use of new methods of contraception,
  - strengthening of primary health care,
  - a widespread network of pharmacies, and access to modern methods of contraception.

The State's policy for improving reproductive health -is notable for the following:

- The National Reproductive Health Program adopted by the Ministry of Health in 1995, prepared by the Government with the support of the UNFPA, comprises activities up to 2005.
- PRSP is in the process of preparation and is expected to contribute to the
  consistent and congruent implementation of health reforms in Armenia, increase
  the targeted provision of health care services to the socially vulnerable groups of
  population, the introduction of family doctors, etc.

### ● SUPPORT <u>REQUIRED</u> <u>ANTICIPATED</u> FROM THE COUNTRY'S DEVELOPMENT PARTNERS

In the framework of international partnership for the development of the issue in question, Armenia is in need of assistance in the following areas:

- modern equipment, know-how, medication,
- policy advice,
- continuous monitoring of the situation,

Formatted: Bullets and Numbering

- support in the implementation of social and economic reforms,
- cooperation in the implementation of public awareness and education programs, which should take into consideration the mentality and traditions of the country. Otherwise any undertaking in this sphere is doomed to failure (which has been observed in the recent years).

Formatted: Bullets and Numbering

Formatted: Bullets and Numbering

#### **6** SUPPORT OF THE UN SYSTEM

#### **UNFPA**

<u>UNFPA</u>-assisted development, adoption and follow-up to implementation of the\*
 National RH Programme based on the ICPD Programme of Action.

- (since 1995)UNFPA-funded sub-program on Strengthening of RH services (1996 – 2000). The project executed jointly with WHO assisted the MOH in establishment and operationalization of FP cabinets across the country, staff training, supply and distribution of contraceptives, preparation of reference materials, IEC, introduction of the RH Management Information System,

<u>UNFPA</u> funded Advocacy and IEC activities <u>implemented by NGOs</u> to enhance awareness of the target groups and general public on Reproductive Rights, RH/FP issues, STI/HIV/AIDS prevention,

- 4. <u>- is preparing preparation of a the</u>-new UNFPA-funded sub-program on improving ante-natal services at primary health care level, integrating STI screening and management, HIV/AIDS voluntary counseling, community mobilization,
- 5- <u>- secures</u> coordination of donor activities through functioning of the Inter-Agency RH Theme Group to comprise 32 government, donor and Non-governmental organizations Support, jointly with other development partners, to the Government's major effort in conduct of the first national census in October 2001.

Formatted: Bullets and Numbering

#### **PROBLEMS SPECIFIC TO ARMENIA**

One of the most serious problems in the sphere of reproductive health currently for Armenia is the threatening decline in the number of marriages—from 28 to 30,000 per year in the late 1980s and early 1990s down to 10,900 in 2000. According to the results of sample demographic surveys, more than 30% of women—aged 25–30 are not married. This is mainly ascribed to emigration from the country of men of the same age, as well as such—difficult—socio economic—and—psychological—reasons—as—mass—unemployment, uncertainty—in—the—future, the—reluctance—of—many—young—people—to—undertake—the responsibility and the burden of a—family and children given global ambiguity and the absence of social guarantees.

#### **GOAL 5: Access to Education**

Target: Achieve universal access to primary education by 2015

Indicator	1990	2000	2015
Net primary	95.2	81.6%	100
enrollment rate (%)			

Note: In fact, net primary enrollment rate according to different surveys and expert evaluations is 94.8%. Such a difference in figures can be explained by the fact that the official indicator was calculated given the official number of for the population without taking into consideration mass migration that has taken place after the 1989 census.

#### • CURRENT STATUS AND TENDENCIES

Universal access to 10 years of mandatory secondary education was standard when Armenia was part of the <u>USSR and Soviet Union, tThe</u> overall infrastructure has not changed much. Certain increase has been observed in the number of schools and pupils. but this has somehow decreased in the transition period. There are 1388 public and 27 private schools. As for quality of education, it has decreased in the transition period, since Moreover, some pupils, though formally graduating from elementary and secondary schools, in reality do not acquire even a basic level of knowledge. This alarming tendency has become more obvious, for example, when, during conscription to the National Army, youths are required to pass tests. After certain fluctuations in the education system, currently a more stabilized situation has been established with a definite, small segment of society, which for some reason has found itself practically (but not formally) outside the educational system.

Among the most serious problems in Armenian society, it turns out, is the fact that Iin the last years, parallel to the state free secondary education, a new informal "shadow" market of educational services of higher quality has formed. It is not available to children from poor families. Among the most serious problems in Armenian society, it turns out, is the fact that So, already at the first levels of education a practical inequality of education between children of different social layers has resulted. Unlike developed countries where a wide system of various kinds of stipends, privileges, grants and educational loans are available for talented children from poor families, in modern Armenia poverty inevitably leads to an incomplete education.

Armenia is more concerned in the short term with implementing mechanisms capable of providing not just education, but high-quality education for the children from poor families, opening up opportunities for them to compete with the representatives of other social sectors as well as provide opportunities them to obtain professions, to be competitive on the labor market.

#### 2 THE COUNTRY'S OPPORTUNITIES FOR ATTAINING THE GOAL

There are no reasons to expect a significant worsening of the situation in the country's educational system.

More than 100 years ago, Armenians were rated among the first in the Russian Empire by the share of persons having completed an elementary education. In the former USSR, they were among the highest numbers of persons with a higher education. This traditional desire for acquiring knowledge exists until now, and is a powerful impetus for families from all groups and sectors in society. The large network of secondary schools with an approximate 1/10 teacher/pupil proportion provides formal access to elementary and secondary education for all children. -Taking into -consideration that the given indicator of Education, as a measurement of the -Millennium goal, is achieved, we do not see any reasons to expect that certain unexpected and significant significant—worsening of the overall situation impacting the universal access to education may occur.

**Formatted** 

Among the most serious problems in Armenian society, it turns out, is the fact that in the last years, parallel to the state free secondary education, a new informal "shadow" market of educational services of higher quality has formed. It is not available to children from poor families. So, already at the first levels of education a practical inequality of education between children of different social layers has resulted. Unlike developed countries where a wide system of various kinds of stipends, privileges, grants and educational loans are available for talented children from poor families, in modern Armenia poverty inevitably leads to an incomplete education.

### **9** FACTORS CONTRIBUTING TO THE SUCCESS OR FAILURE IN MEETING THE TARGET

Given that the goal is potentially achieved, the Government should be more concerned that; factors contributing to its achievement are evident, as

Attaining this goal may be hindered by the following factors:

- \_\_insufficiently clear conceptual understanding of mechanisms of state assistance to the poor in the educational sphere. The ideology of reforms basically suggests an overall improvement of the situation in the educational system (which in turn is extremely important and urgent) without clearly defining the effective mechanisms, aimed at the targeted group of poor,
- -\_significant inertia of the existing state educational system, including 1388 schools, with 59,600 teachers 82% of which are women. The average age of the pedagogical staff is close to 55 years, and the average salary is \$25 per month,
- -\_shortage of state finances, where every secondary school pupil is allocated approximately \$60 of funding from the budget, which is much lower than in many, even weakly developed countries.

#### The State's policy for enhancing access to

In a broader sense, the goal in regard to enhancing access to high quality primary, secondary and higher education to the children from poor families, in a broader sense, is considered considered in two state documents, which are currently in the process of elaboration and discussion – PRSP and "The State Program of Education Development". They both comprise sections in which arrangements are examined for providing full-fledged access to education for children from poor families.

### **4** SUPPORT <u>REQUIRED ANTICIPATED</u>-FROM THE COUNTRY'S DEVELOPMENT PARTNERS

After Independence, many international organizations as well as countries have been carrying out various programs and projects to assist in the sphere of education in Armenia. Currently, support seems to be more urgent and expedient in the following directions;

- methodological assistance in the elaboration of concepts for establishing an effective state system to secure access to high quality education for children from poor families,
- provision of grants or loans to mitigate the negative consequences of the expected rationalization of the school network structure for the pedagogical staff, which will inevitably cause a significant decrease of staff (from 30 to 40%),
- assistance in organizing an effective system of teachers' training,
- comprehensive assistance aimed at the quick formation of a modern system of professional education, available for children from poor families.

#### **6** SUPPORT OF THE UN SYSTEM

Formatted: Bullets and Numbering

Most of the work in this sphere is performed by Most of the work in this sphere is performed by UNICEF which in Armenia, which includes programs that are mainly connected with the development of humanitarian aspects of the education - propagation of children's rights, life skills training, improving special education and so on. In 2000, a large-scale field survey of households was carried out to clarify the net enrollment rate in primary and secondary schools.

In 2001, UNDP carried out a sample survey of 1750 households on "Poverty, Education and Economic Activity."

#### **GOAL 6: Gender Equality**

Target: Empower women and eliminate gender disparities in primary and secondary education by 2005

Indicators	1990	2000	2005
Ratio of girls to boys in primary education (%)	103.4	96.2	100
Ratio of girls to boys in secondary education (%)	102.5	106.1	100

#### **1** CURRENT STATUS AND TENDENCIES

Through the centuries, education has been of tremendous value in Armenia and, now too, Armenian parents prioritise the education of their children regardless of the child's gender. In 1999, 80% of girls and 75,8% of boys aged 7-16 were enrolled in the system of primary and secondary education <sup>10</sup>. In reality these figures are higher, since they do not consider extensive unregistered migration from Armenia, comprising at least 600,000 persons during the past ten years. In the past years around 60% of the secondary school graduates are girls, while their share in the higher educational institutions are 53-54%. Though the number of pupils enrolled in educational institutions remains high, alarming tendencies are observed related to a decline of attendance, access and quality of education. A certain percentage of pupils, mainly in high schools and sometimes in the secondary schools are obliged to work to help their families. This is especially typical of rural areas.

Currently, in regard to gender equality in its broader sense, Armenia views the following as of greatest concern and in need for urgent consideration: - to secure greater involvement of women in decision making at various levels, - to provide legal equality of men and women, - to promote and increase opportunities for female employment and their involvement in business and entrepreneurship, - to protect women's working rights.

#### **2** THE COUNTRY'S OPPORTUNITIES FOR ATTAINING THE GOAL

It could be mentioned that the country has attained the goal in regard to gender equality in education. If current demographic tendencies as well as exodus prevail, Armenia in the near future may face the problem of gender equality in schools with an obvious prevalence in the ratio of girls.

### ● FACTORS CONTRIBUTING TO THE SUCCESS OR FAILURE IN MEETING THE TARGET

- Attaining the goal of gender equality in a broader sense may be hindered by the following factors: negative transformation of gender culture of the society,
- widespread poverty, due to which child labor has the tendency to increase and can adversely affect gender balance at schools,
- deep polarization of the population,

- restricted state budget allocations for the secondary education system (USD 0.04 per school child per day during the past years).

Attainment of the goal may be fostered by the following factors:

- current situation with no accented gender disparities in the sector,

 $<sup>^{10}</sup>$  Secondary education in Armenia is-comprises three levels: primary school from 1-3 grades, middle or incomplete secondary  $\underline{45}$ -8 grades and high or complete secondary 9-10 grades.

- national traditions that value a child's education as on of priorities for the household and family,
- State policy, reinforced by the Constitution (Art. 35) on mandatory free education.

The State's policy in empowering women and eliminating gender disparities is notable for the following:

- The RA Law on Education, adopted in 1999, which systematizes the entire system of education and defines the pre-requisites of the national program on education,
- The National Plan for Action on the Advancement of Women in Armenia for 1998-2000 that reiterated the need to develop a comprehensive program in the education system aimed at attaining gender equality in this area,
- The Government-initiated PRSP, as well as the program on the funding and management of reforms operating with the WB loan.
- "The State Program of Education Development".

#### **4** SUPPORT REQUIRED FROM THE COUNTRY'S DEVELOPMENT PARTNERS

Assistance and cooperation is desirable in the spheres that contribute to:

- improving the access and quality of education,
- a consistent implementation of education reforms,
- targeted implementation of poverty reduction,
- mainstreaming gender concerns into national and local education policies and programmes.
- developing gender statistics and conducting gender surveys in schools (including the surveys on child labor and their impact on gender equality in schools),
- coordinating activities of stakeholders.

#### **6** SUPPORT OF THE UN SYSTEM

UNDP's main gender strategy is to support the Government in developing and applying gender planning as part of the Human Development Approach to Planning. A related priority for the gender strategy at UNDP is mainstreaming its on-going and future programs and projects. UNDP will contribute to the improved access of information and make Armenian society more aware of the global strategies for the advancement of women that can be used as an impetus towards concrete domestic actions. UNDP has also the capacity to bring into policy and program formulation and implementation both bilateral and multilateral institutions.

UNDP supports the implementation of projects:

- "Support for the Gender in Development Unit in Armenia" Project.
- "Women for Conflict Resolution and Peace Building in Southern Caucasus" Project.
- "Integrated Support for the Sustainable Human Development" Project, Rehabilitation component.
- "Support for the Information Society and Democratic Governance"
- -\_\_\_WB "Education Financing and Management Reform" Project.

Formatted: Bullets and Numbering

#### **GOAL 7: Access to Basic Household Amenities**

Target: Halve the proportion of people unable to reach or afford safe drinking water by 2015

Indicators	<u>1990</u>	2000	<u>2015</u>
Proportion of population with sustainable access to safe			
<u>drinking water (%)</u>	<u>81.7</u>	<u>86.0</u>	<u>9</u> 1 <u>.0</u>

#### **O** CURRENT STATUS AND TENDENCIES

By 1990, the population of Armenia had a rather high rate of access (81.7%)tto safe drinking water thanks to a high level of economic development and targeted state financing during the Soviet period. Despite the harsh socio-economic situation that RA had to face in the course of the public and economic reforms during the past ten years, a slight improvement of the indicator in question was achieved (though it is difficult to indicate a tendency of sustainable significant advance). By 2000, the proportion of the population able to access safe drinking water was 86%, including 94% in the urban and 75% in the rural areas.

Regarding the issue in question, Armenia is more concerned with the availability of water and quantity of the provided water than its access.

#### **2** THE COUNTRY'S OPPORTUNITIES FOR ATTAINING THE GOAL

Armenia has sufficient reserves of artesian and spring waters of high quality. If the mentioned tendencies prevail, the goal of 2015, i.e. halving the proportion of people with<u>out</u> sustainable access to safe drinking water will be achieved. The expected level of access of the population to safe drinking water by 2015 is 91%. Increased access to safe drinking water for the rural population should be a priority.

The issue of providing water for the population is complicated by the geographical nature of the country. Water reserves and sources on the territory are unevenly distributed. (There are surpluses in some places and shortages in others.) The mountainous relief and difficult access to mountainous villages impede water distribution as well.

### ● FACTORS CONTRIBUTING TO THE SUCCESS OR FAILURE IN MEETING THE TARGET

Attaining the goal may be hindered by the following factors:

- Difficult socio-economic situation in the country,
- Scarce budgets of the local self governance bodies which are in charge of providing safe drinking water to the population,
- Poverty of rural communities and their weak organizational management,
- Extensive waste of water and amortization of water pipes.

Attaining the goal may be fostered by the following factors:

Establishment of attaching to the Government a State Commission on Water Resources
 attached to the Government in 2001. The functions of the Commission include the design
 of policy on preserving and increasing the efficiency of the water resource use, including
 safe drinking water.

- elaboration of master plans of the residences on the territory of Armenia, which incorporate solutions regarding better provision of safe drinking water,
- a State program on combating poverty which envisions measures aimed at increasing access to household amenities, services for the socially most vulnerable sectors of the population,
- reconstruction of the water pipe system in the capital, where more than 1/3 of the population is concentrated, with the use of foreign loans,
- involvement of the private sector.

### ■ SUPPORT <u>REQUIRED</u> <u>ANTICIPATED</u> FROM THE COUNTRY'S DEVELOPMENT PARTNERS

In the framework of international partnership for the development and attainment of the goal on enhancing access to safe drinking water, Armenia seeks support in the following spheres:

- capacity building for the collection and analysis of data on the access of the population to safe drinking water, prioritization of goals and monitoring of planned activities,
- financing for the realization of activities, specifically in the rural areas, where certain problems have occurred with the access to safe drinking water.

#### **9** SUPPORT OF THE UN SYSTEM

Until recently, the issue in question has not been considered separately by the United Nations. In 2001 a GEF/UNDP and World Bank "Management of Natural Resources and Reduction of Poverty in Armenia" program is underway, where to a certain extent the enhancement of access to safe drinking water for the most vulnerable groups of the population will be taken into consideration.

#### PROBLEMS SPECIFIC TO ARMENIA

Regarding the issue in question, Armenia is more concerned with the availability of water and quantity of the provided water than its access.

#### **GOAL 8: Improving The Environment**

Target: Implement national strategies for sustainable development by 2005 (so as to reverse the loss of environmental resources by 2015).

Indicators	1990	2000*	2005**	2015**
Development and implementation of a national			Yes	Yes
strategy for sustainable development		No No	No Yes	No Yes
		<u>No No</u>	No	-
			<u> </u>	No
			13.3	16,6
Arable (% of land area)	16.6	16.6(12.4)	13.4	14,1
	11.2	11.2(10.6)	10.4	-11.2
E (1 (0/ C1 1 )	11.2	11.2(10.0)	10.2	9.4
Forested area (% of land area)				1
Air pollution (per 1,000 tons)	460 (610)	190 (160)	210	330*
Internal renewable water resources per	1.90	1.89	1.83	1.73
capita (cubic meters per year)	1.90	1.07	1.05	1.73

Note: \* Indicators in brackets are expert calculations, others are provided by the RA National Statistical Service

\*\* The numerator represents the prognosis calculation for a favorable development scenario; the denominator - in cases of an unfavorable development scenario.

\*The increase in the amount of air pollution in the perspective is ascribed to the prognosis of the experts contending that industry in Armenia should revive after a deep continuous economic crisis up to 1995.

#### **1** CURRENT STATUS AND TENDENCIES

Due to its geographic relief, Armenia has limited natural resources. Half of its territory is not adapted for settlement and economic activity. In 1990 the *per capita* provision of main natural resources is as follows - 0.14 hectares of arable land, 0.09 of forest land and 1.9 cubic meters of water per year. More than 70% of agricultural land in the country has eroded to various extents, around 25% of arable lands is not used due to the difficult situation in agriculture.

The transition period, in particular the deep economic and energy crises from 1991-1995, had a negative impact on natural resources and the environment in the country. These processes resulted in intensive and continuous deforestation for energy purposes, depletion of water resources, intensification of soil erosion and a reduction of bio-diversity driven by the difficult socio-economic situation of the country.

The tendencies of the past decade testify to the country's deviation from sustainable development. Significant efforts as well as financial resources will be required for the attainment of the goal by 2015.

Among other problems are the continuous process of deforestation, which brings about a loss of bio-diversity and intensification of land degradation, specifically desertification; degradation of the eco-system of Lake Sevan and its basin, which will turn the entire territory of Armenia into a zone of ecological disaster if current trends prevail.

#### **2** THE COUNTRY'S OPPORTUNITIES FOR ATTAINING THE GOAL

Formatted

4	Formatted
٦	Formatted
	Formatted
	Formatted
()	Formatted
()	Formatted
1)	Formatted
	Formatted
(l)	Formatted
1	Formatted
Ŋ	Formatted
$\ $	Formatted
$\ $	Formatted
$\emptyset$	Formatted
$\ $	Formatted
N	Formatted
N	Formatted
W	Formatted
W	Formatted
I	Formatted
N	Formatted
W	Formatted
V	Formatted
	Formatted
	Formatted

In Armenia, programs and activities in line with signed Conventions (see point 5) have been developed and are in the process of elaboration and initiation.

However, a crisis of implementation is evident in regard to the elaboration of programs and projects, since their realization is hampered by the difficult socio-economic situation. Perhaps an exception is the Program of the Reconstruction of the Irrigation System, financed by the  $W_{\mbox{orld-Bank}}$ , which will facilitate a significant reduction in water loss.

The Government of Armenia in fact is actively working to solve the problem of survival. In most of the cases it is not able to finance the realization of elaborated recommendations. It could be stated that in theory rather than in practice, the country is on track for the 2015 goal.

### $\ensuremath{\mathfrak{g}}$ Factors contributing to the success or failure in meeting the target

If the current tendencies of the socio-economic situation prevail, the ecological situation will only worsen, since for numerous marginal groups the available natural resources will be their main source of survival (a very unfavorable scenario).

Attaining the goal may be hindered by the following factors:

- the absence of a National Council for Sustainable Development and National Strategy
  of Sustainable Development. Though certain activities are in place regarding separate
  spheres of SD, no comprehensive approach has been developed for economic
  development, which would secure integration of social and environmental priorities
  as required by Agenda 21,
- a weak monitoring system which, due to old equipment and the absence of necessary resources is no longer capable of providing fully adequate information,
- absence of an institution for ecological funds at the national and local levels.

Attaining the goal may be fostered by the following factors:

- large scale activities in the sphere of "Education for Sustainable Development," formation of a system of uninterrupted ecological education in the country, availability of adequate intellectual potential,
- high activity of the scientific and non-governmental sector in the sphere in question, the process initiated by the National Assembly on the preparation of broad
  discussions on sustainable development; elaboration and adoption of several
  environmental protection laws.

Given the above-mentioned factors, it could be predicted that by 2005 the situation in the country will have changed and the National Strategy of RA will be elaborated and will be carried out with the involvement of the authorities and civil society (a favorable scenario).

However, it should be noted that adopting an orientation towards Sustainable Development is difficult to achieve, since the process of transition (characterized by increasing polarization of the population by income and a drastic decline in the role of the State in social spheres) rather deviates from the ideology and goals of the concept of Sustainable Development. First, it is necessary to overcome the phenomenon of discord of these processes by introducing certain corrections in the current course of reforms. A breakthrough is needed in all spheres of social life.

### $\ensuremath{\bullet}$ SUPPORT REQUIRED ANTICIPATED—FROM THE COUNTRY'S DEVELOPMENT PARTNERS

In the near future it is highly doubtful that the country itself will be able to make serious investments in the realization of environmental programs. International assistance could partially mitigate the situation by:

- shifting the area of concentration from scientific-information assistance to the implementation of already developed programs and projects,
- contributing to the completion of the construction of the Vorotan Arpa tunnel, so that a portion of the Vorotan River flows into Lake Sevan,

paying special attention to the integration of ecological and social priorities in the course of ongoing reforms,

- supporting the formation of a National Council on Sustainable Development and enhancement of its activities (the non-governmental sector has already announced its formation).
- supporting the strengthening of the monitoring system,
- supporting improvements in the legal framework aimed at implementing not only prohibitions, but also aimed at economically endorsing mechanisms for the ecological orientation of the country,
- development of local capacities.

#### **9** SUPPORT OF THE UN SYSTEM

- 1. National Environmental Action Program
- 2. Strengthening the Management Structure of the Ministry of Nature Protection
- 3. Armenia Country Study on Climate Change
- 4. Country Program for the Phase-out of Ozone Depleting Substances
- 5. Removing Barriers to Energy Efficiency in Municipal Heat and Hot Water Supply
- 6. Bio-diversity: Strategic and Action Plan
- Preparation of a Full Project for the *in-situ* Conservation and Sustainable Use of Agro-biodiversity
- 8. Forestry Sector Development Phase I
- 9. Forestry Sector Development Phase II
- 10. Restoration of Lake Gilly
- 11. Armenia Lake Sevan Environmental Action Program
- 12. Integrated Water Resource Management Plan
- 13. Preparation of a National Action Program to Combat Desertification
- 14. Management of National Resources and Poverty Reduction

#### PROBLEMS SPECIFIC TO ARMENIA

The continuous process of deforestation brings about a loss of bio-diversity and intensification of land degradation, specifically desertification.

Degradation of the eco system of Lake Sevan and its basin, will, if the current trends prevail, turn the entire territory of Armenia into a zone of ecological disaster.

#### **CONCLUSION**

Though ranked among countries with mid-level development (93<sup>rd</sup> according to HDR 2000), and having made an impressive leap to 72<sup>nd</sup> place (according to Global HDR 2001), Armenia shares many of the problems of poor countries. Reducing extreme poverty and, to a lesser extent, improving food security, are of paramount importance for Armenia.

As for others, as mentioned in the Report, the Millennium goals selected for developing countries are not fully adequate to evaluate the developments in the country. Where access to universal education or gender equality are concerned, Armenia has achieved these goals. In regard to the level of child and maternal mortality, and access to safe drinking water, Armenia's indicators fell short of those of developed countries. However they are quite satisfactory as compared with the whole world. In this case, in line with the Millennium Goals, the Report has tried to take a wider view and has indicated at least two goals that are more immediate and more relevant to Armenia.

With its shift to a market-oriented economy and the disappearance of relatively high living standards and social guarantees, Armenia is no exception. The inspiration and hopes raised by this process seem to have dissipated. The country is in need of a new approach to its development. It requires one that is more human-oriented and human-centered. This is something that, due to objective and subjective circumstances, has been largely neglected during the years of transition. At the same time, perhaps the time is ripe to state that the overall process of reforms lasting for -10 years already has failed to translate into the population's well-being.

Armenia is one of the countries that is considered to be successful in regard to its implementation of reforms by the World Bank and International Monetary Fund, but it should be noted that on the whole, the lack of prudence and a critical attitude towards those recommendations that are foreign to our mentality did not help the country overcome a difficult socio-economic situation and social fragmentation. The ideology of reforms in Armenia proved to be groundless, whether they were inadequate or implemented wrongly.

Armenia enters the 21<sup>st</sup> century burdened with many problems that it shares with developing countries with mid and even low level human development. In order to make a leap, Armenia has to, as we see it, concentrate on social cohesion, which has to envelope economic reforms, guide them and be a means for prosperity. It is important that an atmosphere of benevolence and real reciprocity, especially towards socially vulnerable groups, the elderly, and families in need, be established and prevail in society. —We would also like to build on the ideology guided by International Development Goals and especially the Millennium Summit from the point of view of development, <u>particularly especially</u> using the available resources — we human beings, our relations and commitment and natural desire to live better, in a better world.

We believe that, along with economic development, rule of law, and democracy, equal weight should be given to the genuine motivation for development, clear cut goals at different levels, stable and fair rules of the game, harmonious relations in society between the elite and those in power, between financial and intellectual groups and the population at large, thrifty consumption habits, equal distribution of the positive results of development through synergy, enhanced opportunities both in regard to income, but also access to health and education, and protection of the environment. We are convinced that to achieve tangible results in human

development, it is necessary that in the near future the efforts of the government, civil society and donors be focused on bringing to life the above-mentioned goals.

Hence, in Armenia we find it expedient to revise the ongoing reforms and prioritize the social, moral and value aspects of these undertakings.