Territorial and Administrative Reform in Armenia (TARA): Achievements and Outlook

March 2018
TARA, a three-stage process

**Preparation, starting 2008-2009 till 2015**
- Extensive knowledge gains, methodology
- Assessments and studies of various options and reform patterns
- Political decision to commence the implementation (2015)

**Piloting the consolidation in 2015-2016**
- Selection of 3 (2015) and 15 (2016) clusters for consolidation: 18 clusters/140 municipalities
- Local referenda in three pilot clusters; public discussions in all other clusters
- Local elections and formation of new consolidated municipalities
- Identification of needs of newly formed municipalities and implementation of development projects
- Procedural, operational and methodological support to newly established municipalities by MTAD, expert and donor community

**Consolidation roll-out in 2017-2018**
- Lessons Learned of the piloting phase
- New 34 clusters / 325 municipalities
- Policy discussions and public consultations
- Public awareness and information campaigns
- Assistance to new cluster municipalities with their effective functioning
Enlarged municipalities of Armenia

915/502 - former/present number of municipalities, by regions

465 former/52 enlarged
## Local Self-Government: Key Data

### General Information
- **Number of municipalities:** 502 (2017)
- **Urbanisation:** 63.7% (as of 1 January 2017)
- **Share of local budget expenditures in the consolidated budget:** 9.6% (2017)
- **Local budget income, per capita (2017):** AMD 37,945 (in 2012: AMD 31,556)
- **Local budget expenditures, per capita (2017):** AMD 37,298 (in 2012: AMD 32,196)
- **Main spending areas (2017):** General public services (approx. 1/4) and education (approx. 1/3)

### TARA (2017)
- **Number of cluster (multi-settlement) municipalities:** 52
- **Number of municipalities enlarged:** 465
- **Enlargement pending in:** 450 municipalities
- **Average number of municipalities in a cluster:** 8.9
- **Average number of population of municipalities:** 6,688 (without Yerevan: 4,517); average number of population of an enlarged municipality: 12,560 (as of 01.01.2018)
- **Average area of a municipality:** 58.9 km² (502 municipalities); prior to enlargement: 32.3 km² (915 municipalities); 289.4 km² (average for 52 enlarged municipalities)
Innovative Tools in Municipalities

Efficient and effective municipal administration:
- Municipal Management Information System (MMIS)
- Citizen Offices (one-stop-shop)

Public participation and engagement in local governance:
- SMS polling
- Accessible information platforms (MTAD, regional administrations and municipalities)
- On-line broadcasting
E-governance in Armenian Municipalities

- **MMIS** is introduced in more than 400 Armenian municipalities
- More than 4000 trained municipal employees
- 230 MMIS-based municipal websites are operational
- Citizen Offices in 29 municipalities, from which 20 in enlarged municipalities
- International awards
Citizen Offices

- Delivery of municipal services based on “one-stop-shop” principle
- Unified information space based on MMIS
Within the framework of Assistance to Local Self-Government Reform Program, funded by US and Swiss governments, it is envisaged to implement investment projects ($11 million) in 18 enlarged municipalities.

The budget of two programs: USAID - $8.6 million, SDC - $2.4 million
Goal

- Strengthening municipal capacities, expanded capabilities to solve public issues under their own responsibility
- Improving the quality and expanding the scope of public services in municipalities
- Identification of competitive advantages of municipalities and implementation of projects aimed at realization of those advantages
- Establish real preconditions for local economic development and improvement of quality of life in municipalities
Main directions

- Equipping LSGs with machinery to service local roads and communal utilities (such as excavators, dumper trucks, graders, etc.)

- Establishment of local transport network, including mini-buses, refurbishment of bus-stops, routing

- Establishment of garbage removal and sanitary cleaning services, namely garbage collecting vehicles, communal utility vehicles, containers and bins
Main directions, cont.

- Support to local agriculture: machinery, tools, incremental inflows to local budgets

- Energy saving and renewably energy projects, such as solar stations, modernisation of street lighting infrastructures, etc.

- Job creation for youth by virtue of promoting Information technologies
What has been done in consolidated LSGs?

10 out of 13 USAID-funded projects are in implementation phase

55 units of agricultural and communal utility vehicles and equipment procured and dispatched to Dilijan, Tumanyan, Tatev, Urtsadzor, Vayk, Goris, Ashotsk, Amasia, Arpi and Sarapat LSGs; parking lots have been constructed, garbage container distributed in total amount of 3 mln USD. 4 Engineering Labs have been established in Dilijan. Projects envisaged in Noyemberyan, Koghb, and Ayrum will enter implementation phase during 2018.
What has been done in consolidated LSGs?

3 out of five SDC funded projects are in implementation phase

Agricultural and communal utility vehicles for Jermuk, Zaritap and Gorhayk LSGs are in procurement phase in the total amount of circa 1 mln USD.

Projects for Meghri and Tegh LSGs are in final round of preparation stage and will be commissioned for implementation in the first quarter of 2018.
Results to expect…

- Improved gravel local roads
- Renovated internal water supply networks
- Clean villages and towns, environment and neighbourhood
- Illuminated villages and towns
- Larger municipal budgets
- Public services more in number, of higher quality and more accessible
- More yields and richer households
- Better environment and conditions for business development in localities
- Higher degree of consolidation in the communities, and more optimistic citizens
• Project budget is 44,000 Euro, from which:
  – 35,000 Euro is financed by the Council of Europe, within the framework of ”Assistance to inter-municipal cooperation in Eastern Partnership countries” project
  – 9,000 Euro is co-financed by Goris and Tegh municipalities, 4,500 Euro each

• The main objective is to make necessary arrangements to deliver garbage removal services in Goris and Tegh municipalities on a shared, i.e. consortia basis
Two garbage collection vehicles were obtained within the project. Garbage collection and sanitary cleaning services are now provided in Goris and Tegh multi-settlement municipalities through shared use of these trucks.
Expanded and reformed public services

- **Expanded pre-school education:** Kindergarten in Zaritap is able to provide pre-school education services to children of Zaritap and other settlements of the cluster; pre-school facilities are established in four rural settlements of Tumanyan municipality.

- **Improved roads:** due to joint resources and investments in infrastructures, road renovation and leveling have been completed in Sarapat municipality, considerably improving the quality of roads.

- **Improved garbage collection, green planting and amenities:** A service delivery entity was established in Meghri municipality to improve the quality of respective services. New service delivery unit/positions were possible to establish due to reduction of administrative costs achieved through enlargement of municipalities.

- **Improved communications:** A regular public transportation network was introduced in Meghri municipality to ensure citizens’ access to public services and markets for all the settlements of the municipality.
  
  (two bus flights to every settlement per day, fares of 100 and 200 AMD; 5 buses are currently in operation, 4 additional vehicles to arrive)

- **New services:** 7 new positions of veterinarians were created in Zaritap municipality to provide necessary veterinary services in all the settlements of the municipality.
Improvement of financial and human resources

- Reduction of administrative staff and instead, creation of new service delivery positions: in 18 enlarged municipalities, the difference in staffing levels is 342.5, and there are 183 new service delivery positions created in municipal structures (veterinarians, mechanic, maintenance personnel, electricians, environmental specialists, land specialists, etc.)
- Reduction of salary costs, especially in Goris, Meghri, Dilijan, Ashotsk and Sarapat municipalities
- Increase in own revenues: in 18 enlarged municipalities, this increase ranges from 25% to 55% (2017 data compared to 2016)
- Increase in co-funding opportunities when implementing various local development projects
Governance improvement

- Improved decision-making of the local council
- Establishment of committees under the local council
- Public participation, transparency and accountability: online broadcasting, official webpages
- Improved work conditions and office space furnishing (equipment and computers)
INTEGRATED SUPPORT TO RURAL DEVELOPMENT:
BUILDING RESILIENT COMMUNITIES
2015-2020

Target settlements:
- Population: 60,000
- Project Duration: 2015-2020
- Total Allocated Resources: USD 5,444,412.29

Designer:
- Government of Russian Federation

National Implementing Partner:
- Ministry of Territorial Administrations and Development

SUSTAINABLE DEVELOPMENT GOALS

Development planning

- 45 development plans

Sustainable Agriculture and Agro-processing

- 90 greenhouses
- 120 ha new orchards
- 3 collection/cold storage centers
- 30 small-scale agro-processing units
- 4 agricultural machinery pools
- 6 workshops
- 7 study trips

Infrastructure Rehabilitation

- Reconstruction of 10 community infrastructures
- Construction/reconstruction of drinking water systems
- Introduction of water-saving technologies on 500 ha of land
- Developing proposals of legislative or normative documents
INTEGRATED SUPPORT TO RURAL DEVELOPMENT: BUILDING RESILIENT COMMUNITIES

PROJECT ACHIEVEMENTS FOR 2013-2017

SUSTAINABLE AGRICULTURE AND AGRO-PROCESSING

- Greenhouse
- Agricultural machinery pool
- Small-scale wine production units
- Collection centers
- Dried fruit production units
- Greenhouse for production of vegetable seeds
- Sheep and honey-intensive economics

COMMUNITY INFRASTRUCTURE REHABILITATION

- Reconstruction of community infrastructure
- Construction of rainwater harvesting systems
- Construction/reconstruction of irrigation water systems

INTEGRATED COMMUNITY DEVELOPMENT PLANNING

Participatory integrated community development plans
Thank you!