Which comes first—infrastructure or economic development?

Development begins with proper infrastructure - functional schools, roads, hospitals, and water systems, as well as sustained entrepreneurship and investment in people. While it is not always easy to prioritize infrastructure over economic development or vice-versa, Armenia Fund’s approach to rural development in Armenia and Karabakh has incorporated both. The testimony of this is the revival of rural communities in Karabakh, and the continuation of this innovative cluster-village development approach to Armenia’s border villages.

Armenia’s border villages need urgent development of infrastructure and economy. The Fund’s goal is to improve standards of living in rural communities as a whole and integrate each village into the economy of the country.

Life in rural Armenia is very different from the cities. The rural communities are trapped in poverty, and basic comforts, such as schools, hospitals, roads, and clean waterways that are so often taken for granted in the developed world are in a dilapidated and dysfunctional condition in these remote areas of the country.

The problem involves a lack of both infrastructure and capital. Both short- and long-term solutions are needed to address these complex issues. Armenia Fund, together with the village residents themselves, will work toward:

- Renovating and installing necessary infrastructure (roads, waterways and gas supplies)
- Promoting short- and long-term economic activity (expansion of the agricultural development initiative already in place)

In this issue:

Beyond Charity: Development First 1
Transforming Rural Life In Armenia and Karabakh 2
Armenia Fund Helps Increase Family Income 3
I Support Because… 3
Donor Acknowledgement: In Memory Of/In Honor Of 4

continued Page 2...
Armenia Fund’s Regional Development Program is underway in two of the most populated and needy regions of Karabakh—Mardakert and Hadrut.

The construction of the **Togh-Hadrout gas pipeline** has started. The pipeline connects more than 9 villages to the main gas supply chain in the region.

More than 2700 residents of three villages—Mets-Taghlar, Azokh and Drakhtik, will have access to clean drinking water as the **Hadrut portable water supply system** is being renovated. Armenia Fund is also rebuilding the village wells and daily distribution water reservoirs. The Ishkhanyanaget river water is being filtered to ensure gravity flow water distribution.

**Hadrut regional hospital**, which is the region’s major healthcare center, is also undergoing renovation. Project C.U.R.E., a leading medical humanitarian organization, will donate medical supplies and equipment which are critically needed in order to take the quality of healthcare in Hadrut to a new level.

Archut village in Lori region of Armenia has received new agricultural technology and supplies to help farmers with crop cultivation and seasonal agricultural activities. In 2000, Armenia Fund also built a **secondary school** in Archut, and later furnished its classrooms. The French affiliate of the Fund is spearheading the initiative which now extends beyond classrooms to include sports and other facilities.

**Development First continued…**
- Meeting basic social infrastructure needs (schools, healthcare, and information)

The program is innovative in that it combines two development directions while providing a way to empower local communities to become self-reliant.

Armenia Fund, with its international affiliates across the world, has a 15-year experience in infrastructure and economic development.

Moreover, the Fund has successfully launched and is currently implementing Karabakh’s regional development program.

In Mardakert and Hadrut regions of Karabakh, several projects have been completed and several others are underway. Through renovated schools, gas and water pipelines, and agricultural development associations that not only provide much needed technical support to family farmers but also offer critical expertise and entrepreneurial incentives, the Fund’s Regional Development Program brings all pieces together.
Major economic intervention has been the creation of Agricultural Development Associations in two clusters of villages in Mardakert (2005) and in Hadrut (2006). More than 20 villages are currently benefiting from the program, such as the village of Ughtadzor in the Hadrut region of Karabakh. Last year the Fund expanded the program, which started in Mardakert region, to a cluster of 8 villages in Hadrut.

“We don’t need humanitarian assistance: we need jobs and economic development because we are able to work and provide for our families,” says Valerie, a father of three in Ughtadzor village.

Today, the Fund's Agricultural Initiative is directly benefitting farming communities in Ughtadzor. Families receive fertilizers and new agricultural equipment to run their farms and harvest crops. The majority of the population produces their own food, including wheat for bread.

In 2006, before the Fund expanded its agricultural development program to Ughtadzor, a family paid 120,000 Armenian drams to grow 900kg of wheat worth 81,000 drams. With new agricultural equipment and technical advice from the Fund’s Agricultural Development Association, they are able to grow over 2,000kg of wheat for less than 90,000 drams. The family’s income improved by at least 50%.

“This program is different from any other support we have received in the past. We don’t need humanitarian assistance, we need economic development because we are able to work and provide for our families,” says Valerie, a father of three in Ughtadzor village.

Armenia Fund helps increase family income which directly assists farming communities in Karabakh to improve their socio-economic conditions. The Fund also works toward addressing other pressing issues such as the lack of functional infrastructure.

I support because...

May, 2007

“While I am and have been involved with other humanitarian and development organizations in the community, I have always admired the work of Armenia Fund because of its focus on rebuilding the infrastructure of Armenia and Karabakh, which is critical to their development, in addition to its other projects directed to providing assistance to the poorest regions of Armenia. Also, another important factor is that the Fund unites the entire Armenian Diaspora. It is inclusive in its mission and bridges the gap to further its vision of a prosperous Armenia which all of us share.

I am also an avid marathon runner. I will run in the Hamptons Marathon in September, and have decided to raise money for one of Armenia Fund’s projects – the renovation of the Elderly Home in Yerevan, a retirement home for the elderly and bed-ridden patients. I learned of this project through a family friend and it is close to my heart because I was raised by my grandparents, so the elderly have a soft spot for me, and this project provides shelter and much needed medical supplies to those who would otherwise not have access to any.”

-Anahid M. Ugurlayan, Esq.
New York, NY
In Honor Of...

Souren Ap rahamian
By Edward M. Ap rahamian
Violet Anoushian
By Michael R. Mekentian
Varoujan Arakelian
By Vartan Gregorian
Mr. Clement & Mrs. Julia
Ashkelian’s 50th Wedding Anniversary
By Hayranaft Garoyan
Vanouhi Bengal
By Ardash Marderosian
Sonya Doumanian
By Hratch O. Dowmanian
President Arakdy Ghoulkassian
By Sami Totah
Rosalind Hswenian
By Margaret Brophy
Cara & Katie Jerzal
By Arpy Jerzal
Shake Kalfayan
By Chris K. Kalfayan
Arpine Khatchadourian
By Haig Khatchadourian
Edward Saroukanian
By Ruben Saroukanian
Flora Yessian
By Dan D. Yessian

In Memory of...

Mr. & Mrs. Avedis H. Adzigan
By George Adzigan
My Wife Arminuhe Aprahamian &
My Son, Dr. Ashod Raffi
By Souren Aprahamian
Arsen Anooshian
By Mary Ann Anooshian
Helen Arutunian
By Gregory Arutunian
Vigen Babayan & Family
By Richard K. Babayan
Anna Bahadurian
By Dianne Stobodnik
Virginia Bandazian
By Bandazian & Holden, Inc.
Manoog & Elias Bargamian
By Albert Bargamian
Karabet Bol
By Mr. & Mrs. Kayserian
Mary & Krikor Boyagian
By Krikor Boyagian
Helen Boyagian
By Vrage Boyagian
George Bozian
By Armen Bozian
Brave Armenian Christian Martyrs
By Mr. & Mrs. Crassas
Arthur Charapian
By Zabel Charapian
Lillian Chilingarian
By Raymond Smith
Frieda Khajdehturian-Coppola
By Tina Khajdehturian
Mr. & Mrs. Siron Costikyan
By Iris Kinnard
Michael B. Demerjian
By Mr. & Mrs. Demerjian
Harry Derkazarian
By Edward Derkazarian
Carl Draft Donigian
By Michael M. Donigian
Gregory Dorian
By Donna M. Dorian
Aram Fayda
By Lucy A. Fayda
Vartan Gregorian
By Dareh A. Gregorian
Ralph Gustafson
By Lucy S. Gustafson
Vahan & Anna Hanesian
By Deran Hanesian
Penyamin Harizvartyan
By Masis Harizvartyan
Anita Hashoian
By Ralph G. Hashoian
Der Manuel & Yeretzgin Hasmig
By Adriene Beyler
Tamara Isperian
By Gilberta Fass
Tamara Isperian
By Michael Sikorak
Deron Alton Jemjemian
By Virginia Jemjemian
Emma Malakhanian-Kachatur
By Mr. & Mrs. Stearn
Onnig & Asdhik Khaisian
By Matthew Khaisian
Siranouh Z. Kalayjian
By Gerald M. Kalayjian
Joyce Kalpakian
By Mitchell Kalpakian
Mr. & Mrs. Peter Karulstian and Mr.
George Avedisian
By Mr. & Mrs. Riedinger
Harry A. Kalonjian
By Harry A. Kalonjian
Anthony Karaghosian
By Lucy M. Karagosian

Corporate/Matching Gifts:

Carnegie Corporation of New York
By Mark Malkasis
General Electric Foundation
By Kevork G. Bournazian
General Electric Foundation
By Joseph Torosian
Pfizer Foundation
By Raffi Chekmeyan

Donor Acknowledgement (through February 28, 2007)

www.ArmeniaFundUSA.org