



Beyond Charity Development First

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:

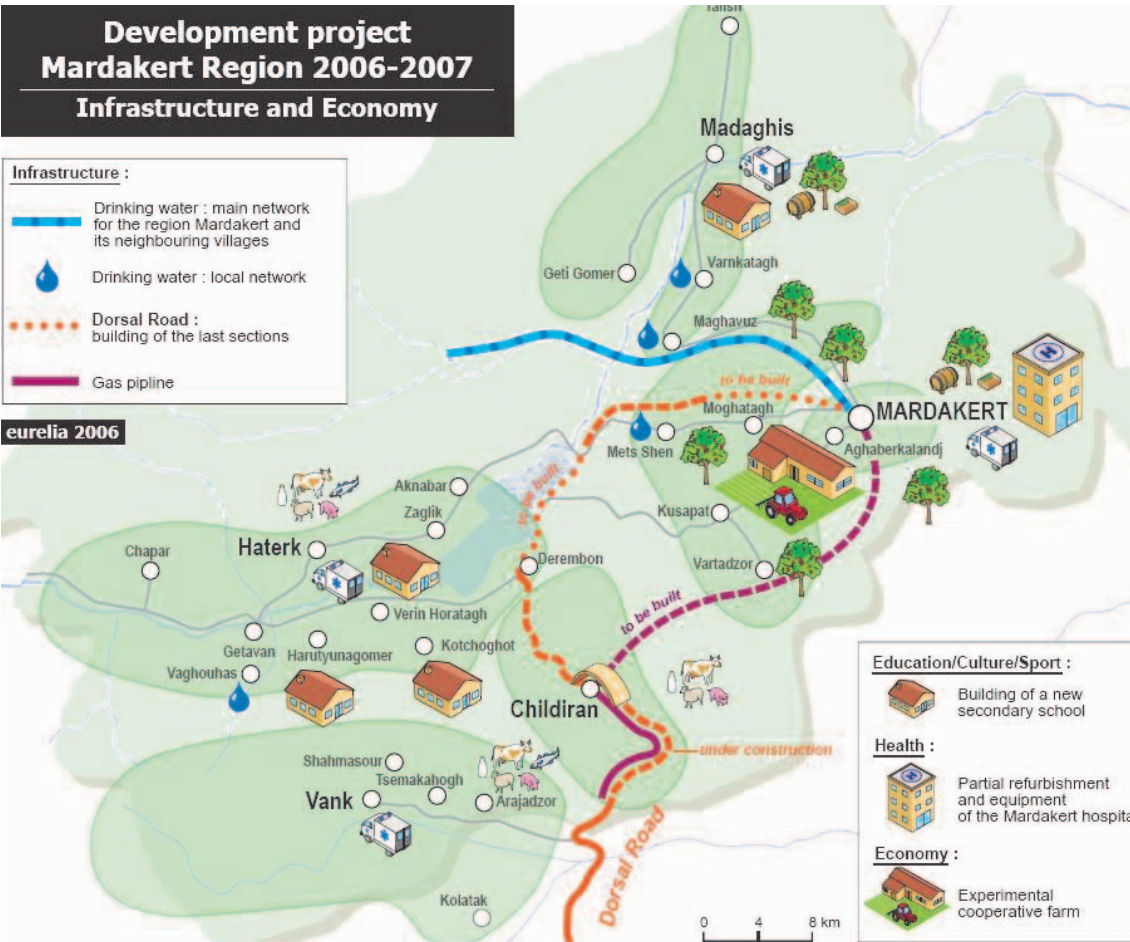
Beyond Charity: Development First	1
Transforming Rural Life In Armenia and Karabakh	2
Armenia Fund Helps Increase Family Income	3
<i>I Support Because...</i>	3
Donor Acknowledgement: In Memory Of/In Honor Of	4

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 Ishkhanaget 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.

Armenia Fund Helps Increase Family Income

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

“We don't need humanitarian assistance: we need jobs and economic development because we are able to work and provide for our families”

region, to a cluster of 8 villages in Hadrut.

Today, the Fund's Agricultural Initiative is directly benefiting farming communities in Ughtadzor. Families receive fertilizers and new agricultural equipment to run their farms and harvest crops. The ma-

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

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.



Four generations of a family in Ughtadzor Village, Nagorno-Karabakh. The younger daughter (second from right) recently married and left for better prospects in Yerevan. This family, like many others in rural Karabakh, produce their own food, including wheat for bread. They are now benefiting from Armenia Fund's Agricultural Initiative in Karabakh.

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 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

ARMENIA FUND USA **In****ACTION**

East Coast Affiliate of All-Armenian Fund

Armenia Fund USA, Inc.
80 Maiden Lane, S- 301
New York, NY 10038
Toll Free: 1-866-446-6237
Fax: 1-212-689-5317

Armenia Fund USA, Inc. is a 501(c)(3) tax-exempt organization (Fed ID #13-3696515)

Donor Acknowledgement (through February 28, 2007)

In Honor Of...

Souren Aprahamian
By Edward M. Aprahamian
Violet Anoushian
By Michael R. Mekenian
Varoujan Arakelian
By Vartan Gregorian
Mr. Clement & Mrs. Julia Ashikian's 50th Wedding Anniversary
By Hayastan Garoyan
Vanouhi Benglian
By Ardash Marderosian
Sonya Doumanian
By Hratch O. Doumanian
President Arkady Ghoukassian
By Sami Totah
Rosalind Hewsenian
By Margaret Brophy
Cara & Katie Jerozal
By Arpy Jerozal
Shake Kalfayan
By Chris K. Kalfayan
Arpine Khatchadourian
By Haig Khatchadourian
Edward Saroukhanian
By Ruben Saroukhanian
Flora Yessian
By Dan D. Yessian

In Memory of...

Mr. & Mrs. Avedis H. Adzgian
By George Adzgian
My Wife Arminuhe Aprahamian & My Son, Dr. Ashod Rhaffi
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 Slobodnik
Virginia Bandazian
By Bandazian & Holden, Inc.
Manoog & Eliyas Bargamian
By Albert Bargamian
Karabet Bol
By Mr. & Mrs. Kayserian
Mary & Krikor Boyagian
By Krikor Boyagian
Helen Boyajian
By Vrage Boyajian
George Bozian
By Armen Bozian
Brave Armenian Christian Martyrs
By Mr. & Mrs. Crassas
Arthur Chaparian
By Zabel Chaparian
Lillian Chilingirian
By Raymond Smith
Frieda Khadjehturian-Coppola
By Tina Khadjehturian
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 Harzivartyan
By Masis Harzivartyan
Anita Hashoian
By Ralph G. Hashoian
Der Manuel & Yerezgin Hasmig
By Adrine Beyler
Tamara Ispertian
By Gilberta Fass
Tamara Ispertian
By Michael Sikorak
Deron Alton Jemjemian
By Virginia Jemjemian
Emma Malakhanian-Kachaturf
By Mr. & Mrs. Stearn
Onnig & Asdghik Kaishian
By Matthew Kaishian
Siranoush Z. Kalayjian
By Gerald M. Kalayjian
Joyce Kalpakgian
By Mitchell Kalpakgian
Mr. & Mrs. Peter Kalustian and Mr. George Avedisian
By Mr. & Mrs. Riedinger
Harry A. Kalvonjian
By Harry A. Kalvonjian
Anthony Karaghosian
By Lucy M. Karaghosian

Jenia & Armen Kazanjian
By Armen Kazanjian
Mr. & Mrs. Markar Khimatian
By Olga Ingelse
Simon A. Kolligian
By Madeline Glenn
Ervant Kozanlian
By Madelina Kozanlian
Alice Loosigian
By Peter Loosigian
Marie A. Lord
By John F. Lord
Art Z. Luledjian
By Art Z. Luledjian
Garabed & Satin Manoogian
By Mr. & Mrs. Manoogian
Judy Marderosian
By Ardash Marderosian
Arpina Margosian
By Edward Margosian
Asadour & Alice Mekhjian
By John Doursounian
Talin Mouradian & Lucia Karjian
By Lucine Karjian
Varsenia & Marcina Mukalian
By George Mukalian
Dr. John Nalbandian
By John Nalbandian
Hagop & Rose Nersesian
By Gilbert K. Nersesian
Vahe Oshagan
By Dr. Arsine Oshagan
Sarkis H. Pashaian
By Rose Pashaian
Charles Pilibosian
By Allan Pickus
Sarkis Poladian
By Aram Kakousian
John Sahagian
By Lucille Sahagian
Sahak Roy Sahakian & Albert Garabed Sahakian
By Helen Sahakian
Ned Santerian
By Merle Santerian
Sarkis, Garabed, & Pilaz
By Mr. & Mrs. Emerzian
Ann Allen Sarkisian
By Harry S. Sarkisian
Richard Sarkisian
By Fesjian Foundation
Tavit & Angin Sarkisian
By Helen Salvatore
Sarkis S. Saryan
By Mr. & Mrs. Saryan
Sofya Melik Shakhnazarian

By Emma Aleksandrian
Samuel Sheshedian
By Mary Sheshedian
Osken & Peggy Sislian
By Robert Jan Sislian
Nicholas Soghomian
By Violet Soghomonian
Setrag & Araxie Takoushian
By Elizabeth Takoushian
Mrs. Cayane Talanian
By Nubar Talanian
Mr. & Mrs. Thomas S. Tamraz
By Mr. & Mrs. Tamraz
Mr. & Mrs. Thomas S. Tamraz
By Lincoln S. Tamraz
Harry Tashjian
By Julia T. Martin
Nevert Tehanian
By Takouhy Bedrossian
Madeline Tirakian
By Dickran S. Tirakian
Kaspar & Elsy Topalian
By William A. Griego
Richard G. Toshjian
By Gloria Vartanian
Andrew Vartanian
By Patricia S. Vartanian
Her Mother Haiganoush, Father Apel, & Sister Marian Vartanian
By Isabel S. Vartanian
Vehanoush Vartoukian
By Ara Akian
Vehanoush Vartoukian
By Elizabeth M. Akian
LCPL John J. Vosganian
By Sam Vosganian
Mary Vosganian
By Mr. & Mrs. Hastings
Tatios Vosganian
By Mr. and Mrs. Vosganian
Garo Voskerijian
By Mr. & Mrs. Voskeridjian
Yeghiayan & Maserejian
By Zareh Y. Maserejian

Corporate/Matching Gifts...

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