

**FINAL
CLOSEOUT REPORT**

Prepared for



Armenia Local Government Project
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I. OVERVIEW OF ARMENIA LOCAL GOVERNMENT PROJECT

Scope of Project

From January 2000 through May 2003 the Urban Institute (UI) implemented the Armenia Local Government Project (LGP) on behalf of the United States Agency for International Development (USAID). During this period, UI undertook several programs to address Strategic Objective 2.1 “Increased Citizen Participation in Political, Economic and Social Decision-Making Processes”. Specifically, the Strategic Objective is supported by three Intermediate Results (IRs):

- IR 4.0 “Increased government accountability and responsiveness to citizens”
- IR 4.1 “More effective and transparent management systems”
- IR 4.2 “Government is more accessible”

Together the Strategic Objective (SO) and the three Intermediate Results directed the efforts of the project. In order to meet the IRs, USAID further defined the project to be a series of seven technical assistance and training activities. These activities are briefly described as follows:

1. To provide technical assistance to municipal associations or related organizations to increase capacity to train membership in various local governmental responsibilities and to strengthen their advocacy role relative to national legislation.
2. To assist both ministries and local government units (LGUs) to address greater decentralization and concomitant LGU capacities.
3. To provide extensive on-site technical assistance to five to ten cities.
4. To provide training directly or through local government associations in various local government responsibilities:
 - Budget development and implementation
 - Capital budgeting
 - International accounting standards (or those approved by the Government of Armenia (GoA))
 - Municipal asset management
 - Community based economic development
 - Procurement and contracting for services
 - Performance management
 - General local government administration (through production of a management handbook)
5. To assist municipalities in establishing regular public hearings and other forms of citizen participation in the municipal decision-making process.
6. To assist local governments to increase citizen access to information.

7. To provide technical assistance to condominium associations in an effort to increase their management capacity and services to condominium owners.¹

UI conducted an extensive baseline analysis to frame the objectives and goals of the SO, IRs and listed activities. Soon after the baseline study was completed, UI developed a WorkPlan that recast the seven activities mentioned above into four major project components:

- Government Decentralization and Association Strengthening
- Local Government Capacity and Service Delivery Improvement
- Citizen Participation
- Condominium Association Development and Strengthening

These components were implemented in nine pilot cities and the twelve districts of Yerevan. The cities were chosen through competitive interviews with the mayors, municipal staffs, community council members and local business representatives. The nine pilot cities are geographically dispersed throughout Armenia and represent small and large cities.²

Decentralization

In an effort to maximize donor efforts, UI worked closely with Gesellschaft fur Technische Zusammenarbeit (GTZ) and municipal associations to advocate a new local self-government law passed that would increase local government fiscal and policy autonomy as well as provide for inter-community unions to address a variety of area or multi-community services and problems. The final version of the law, though not committing greater funding to local governments, provided for local government collection of land and property taxes, required open public meetings, required local government to dispose of municipal property at market values and made local government a legal entity. These changes significantly strengthened the local government legal capacity to raise own-source revenues and to be more open and transparent.

Additionally, LGP worked closely with other organizations to develop a policy review of the draft law on territorial administration. Experts of the European Commission reviewed the draft law and this was taken as a starting point to research possible models for Armenia to follow as well as address current issues such as the role of the Marzpet vis-à-vis mayors and community councils.

Association Strengthening and Advocacy

LGP was successful in assisting civic associations to become more professional, sustainable and effective as advocates for their respective areas of interest. LGP worked with the following associations:

- City Finance Officers Association
- Information Development and Training Center

¹ Items taken from page seven of the contract EEU-I-00-99-00015-00, Task Order, OUT-EEU-I-807-99-00015-00.

² The nine pilot cities are Alaverdi, Gyumri, Ijevan, Jermuk, Kapan, Sevan, Sisian, Vanadzor and Yeghegnadzor.

- Armenia Councilors Association³
- National Association of Condominium Owners

Both the City Finance Officers Association and the Information Development and Training Center have collaborated to develop the local government software implemented in the project's nine pilot cities. The City Finance Officers Association focused on budgeting (capital and operational) and financial management. The Information Development and Training Center focused on land and property inventory (useful in land and property tax administration), citizen registry (useful in community planning, social program administration and voter registration) and an archival system tracking local government ordinances, resolutions, and communication with the mayors, community councils and municipal departments.

The Armenia Councilors Association (ACA) provided legislative advocacy, particularly with respect to the Law on Local Self-Government and financial management and budgeting policy training to community councils, mayors and municipal staffs. Additionally, ACA collaborated with the National Association of Condominium Owners (NACO) to provide updated management training to condominium associations, other forms of management structures as well as local governments.

The National Association of Condominium Owners was strengthened in its advocacy role and worked closely with LGP and the Ministry of Urban Development to get legislation passed that clarified the responsibilities of condominium associations and provided for other forms of apartment building management.

Local Government Capacity and Service Improvement

LGP's pilot cities received computers from other donors and project implementers.⁴ LGP provided in-depth training in the software provided and continued technical assistance on the hardware and software maintenance and updates. The in-depth training encompassed financial management and budget policy development, capital improvement planning and budgeting, asset inventory input for asset management plan development, citizen registry for planning and election administration, land and property inventory for eventual administration of land and property tax collection, community based economic development strategies, and performance management system training and implementation. Each of these activity elements will be discussed in more detail below.

Citizen Participation

LGP included efforts to increase citizen participation in the decision-making of local government. This task was included in other component activities whenever feasible. In particular, budget brochures were developed and open public hearings were held in all of the pilot cities. Community councils and municipal staffs were trained on how to hold public hearings and on the need to be responsive to issues and questions raised at such meetings. Local non-government organizations (NGOs) and community

³ Formerly the Yerevan Councilors Association.

⁴ GTZ, BearingPoint and the Eurasia Foundation provided computers to the nine pilot cities.

(neighborhood) action groups were also invited to the training. Other types of outreach by the local government were the production of a newsletter informing citizens of coming events in the city, bulletin boards with upcoming community council meeting agendas posted, and information centers established in each city where computers were linked to city departments to facilitate quick responses to citizen inquiries.

LGP conducted participatory urban assessments (PUA) and worked with city officials to establish neighborhood areas where community action groups (CAG) were established. According to the PUA method, CAGs met and established priority issues and problems of their neighborhoods. The process of participation was stimulated by the inclusion of funds for one capital project in each city, contingent upon completion of the capital improvement plans. One member of each CAG was elected to represent the neighborhood in a coordinating committee appointed by the mayor. The coordinating committee actually recommended the final project to the city for funding by USAID. The projects also carried with them a requirement for local share funding (either cash, materials or in-kind services). The end result was active participation by neighborhoods in the citywide decision-making process on development, adoption and implementation of the annual budget and economic development strategy.

As a means of assessing project impact, LGP instituted an annual household survey that asked several questions related to project activities. The results verified progress or lack of progress in specific areas.⁵ Illustrative results of the three years of survey are presented in Appendix A.

Condominium Association Development and Strengthening

LGP started the project by assisting in the establishment of more than 40 condominium associations. Further enhancement was accomplished by providing condominium association training in management of the multi-apartment buildings. Training included management principles, financial management, procurement and contracting and maintenance standards and norms as well as fund raising and proposal writing.

To better represent condominium associations, LGP assisted the National Association of Condominium Owners (NACO) through association training and support. NACO and LGP successfully worked on advocacy that resulted in a new Law on Condominiums and a new law on Apartment Building Management. The new law on apartment building management established maintenance standards and norms as well as provided for a default in case condominium associations or other types of multi-apartment building management failed to act. The new law provides that cities may step in to maintain buildings if the management structures fail to do so. In order to meet their newly emphasized responsibilities, LGP developed updated training, taking into account the new legal framework.

As a part of its ongoing work with NACO and the Ministry of Urban Development, LGP has developed a strategy paper that outlines what each major donor program is doing as well as recommendations for closer coordination among donors, local governments, the central government of

⁵ Conducted by the American University of Armenia, the survey employed small sample statistical techniques to ensure statistical significance of the survey findings.

Armenia and program implementers. This effort was undertaken not only to reduce the incidence of duplication but also to maximize the overall effect to beneficiaries—apartment owners.

II. TECHNICAL ASSISTANCE TO THE MINISTRY OF TERRITORIAL ADMINISTRATION TO INCREASE DECENTRALIZATION AND CONCOMITANT LGU CAPACITIES

Key Impacts

Local Self-Government Law—LGP, in cooperation with other donors and implementers, assisted in getting a new law on local self-government passed in 2002. While the final version was not what was expected, it did accomplish the following:

- Gave local governments the status of legal entities
- Provided for collection of land and property taxes by local governments
- Required all meetings of community councils to be open to the public
- Required sale of municipal assets at market value

The draft legislation mandated creation of community unions to address the problem of rural communities' lack of service delivery capacity and scale of economy and guaranteed specific percentages of nationally collected taxes to be transferred to local governments. However, these provisions were removed in the final legislation that was adopted.

LGP provided the nine pilot cities with training in holding open public meetings and the need to make public and transparent important decision-making documents such as the annual budget.

Territorial Administration Law Policy Review—Late in the project LGP was asked to assist the Ministry of Territorial Administration with a new law on territorial administration. However, only a very rough draft had been completed by this time. Using the Council of Europe's comments on the draft as a starting point, LGP undertook a policy review to work out specific issues and problems. Of specific concern was the authority of the Marzpets to fire locally elected mayors and their wider role in the decision-making process of local governments.

LGP and its locally appointed working group provided technical assistance in researching models of territorial administration in western and eastern European governments, recommended structural and administrative changes and more clearly defined the role of Marzpet as administrative monitor over local government legislation and actions. An additional goal of the policy review was to make recommendations that brought the draft law closer to the requirements of the Council of Europe's Charter on Local Self-government.

Lessons Learned and Future Direction

It is essential to reach a balance between political consensus and needed reforms. Hence, LGP made the initial effort at policy development and discussion prior to drafting legislation. Although there are

proposed amendments to the Constitution, it is not clear when these will be passed. Therefore, LGP conducted the policy review within the current Constitution's provisions. Additionally, the policy review assumed that there would be no new revenues given Armenia's current economic conditions.

The next steps should be to use the policy review as a starting point in discussing specific issues. Only after general consensus has been attained should actual proposed legislation be introduced.

III. PROVISION OF EXTENSIVE ON-SITE TECHNICAL ASSISTANCE

Key Impacts

Budget Development, Computerization and Implementation—Although LGP provided only a small portion of the computers to its nine pilot cities; it did provide in-depth training and technical assistance in computer use over the life of the project. Additionally, LGP provided expert technical assistance through two NGO associations, the City Finance Officers of Armenia and the Information Development and Training Center, to ensure hardware and software operation and updates to the software when needed. This enabled the nine pilot cities to enter current year budgets, prior year budgets and to produce not only proposed budgets but also brochures explaining the budget to interested citizens, NGOs and other local interest groups. All nine cities produced their budget, budget brochures and mid-year budget reports with the computers and software provided.

Capital Plan and Capital Budget

Undertaking the training to produce a capital plan and related budget, LGP merged two procedures to provide a strong connection between citizen participation and the adoption of the community's capital improvement plan. LGP requested and USAID provided funds to carry out one capital project per pilot city. Training in the development of capital planning and budgeting was provided to community councils, city staff, citizen's groups (CAGs), and NGOs. Additionally, the CAGs were given training in proposal writing and project development and budgeting.

In order to make the funded project a true community-wide project, each neighborhood of the cities developed its own priority project and submitted it to a coordinating committee appointed by the mayor. Each neighborhood was represented by one member on the coordinating committee. However, the coordinating committee could select only one project for funding. Therefore, it had to reach a consensus on a project that would be supported by a majority of the committee. Not only did this exercise train citizens to be proactive in project and proposal development but it also gave them an opportunity to influence citywide policy and decision-making. This was accomplished by having the coordinating committee review the capital improvement plan for the whole city after the initial exercise in selecting the priority project to be funded by USAID. The coordinating committees and CAGs have remained active and provided citizen input into the annual budget as well as the community-based economic development activities discussed later in this report.

International Accounting Standards—The GoA has adopted a modified version of the International Accounting Standards. However, these standards are not yet applicable to local governments. Additionally, it is unclear what the national government actually will require of local governments. No training in accounting has been provided to local governments because it is not clear what the accounting requirements ultimately will be. For example, will the national government require accrual accounting? If so, this would be a costly requirement to place on local governments since there is no training in accrual accounting has been provided to local governments. Most countries have adopted a modified accrual basis of accounting for local governments, except for utilities and other business-like functions. Modified accrual means that the local governments use a cash basis throughout the year and accrue only annually instead of monthly.

Municipal Asset Management—LGP provided training in the principles of local government asset management to the pilot cities. This entailed input of all locally owned municipal assets into a series of tables that permitted further evaluation and development of a use or disposition plan. Each pilot city completed an asset inventory and disposition plan. One district of Yerevan was also selected to carry out further study of municipal asset utilization or sale. This report reveals that there are significant problems with the disposition (sale or lease) process as well as the utilization basis for continued ownership of assets. Cities and districts of Yerevan need to more clearly analyze the use of assets, the policy and conditions for disposition as well as the rates charged for sale or lease of those assets.

Community Based Economic Development Strategy—Two cities of the nine pilot cities were selected by LGP to conduct a community based economic development (CBED) strategy. CBED strategy development included: appointing a representative steering committee, including citizens, local business and NGO representatives; conducting a strengths, weaknesses, opportunities and threats (SWOT) analysis; establishing a mission statement with critical issues to be addressed; responding to the critical issues and action plans; and identifying responsible parties for action and periodic progress monitoring. The CBED strategies were developed and adopted in the cities of Ijevan and Alaverdi. This process will serve as the model for roll out to other Armenian urbanized communities.⁶

The city of Ijevan already has implemented its CBED plan, beginning with the critical issue of tourism development. It has developed two brochures, one about the community and one that solicits funds for specific city projects that will help beautify or improve the environmental condition of the city. The city has received two donations toward its specifically identified beautification efforts and is pursuing additional funding. More about specific funding is discussed below in the Section on Performance Management System.

Procurement and Contracting for Services—LGP provided training to the nine pilot cities on the newly adopted procurement law. This complex and comprehensive law applies to cities and specifically requires competitive and transparent procurement processes to be followed not only in the provision of goods but also services. LGP pilot cities successfully met the requirements of the procurement law as well

⁶ There are 59 urbanized communities listed in the Law on Local Self-Government that contains populations over 5,000. The very limited resources of the smaller cities places severe constraints on what the cities can undertake in a CBED effort.

as established local committees to ensure transparency and fairness in the procurement and contracting out processes.

Personnel and Human Resource Management—One of the changed features of the new Law on Local Self-Government was to allow local community councils to determine the type and number of employees of the local government. Prior to this change, local governments were constrained by a Prime Ministerial decree that arbitrarily set the number of employee based on community population (not service needs, or fiscal capacity of the city).

LGP included in the local government administration handbook a chapter on the principles of human resource management as well as some discussion of local civil service operation. The handbook was distributed to all the urbanized communities, selected ministries and NGOs.

The GoA and donors have indicated the need to address the problem of newly elected mayors firing all department heads and lower level personnel to install their own choice to fill the positions. The practice has undone training efforts and resulted in lower skill levels in some local governments.

Performance Management System—LGP instituted performance management training in one pilot city to develop the roll out prototype for the rest of the cities to follow. Starting with kindergarten services in the City of Ijevan, LGP followed a process similar to that used in the CBED training and program implementation. Basic data was gathered, a steering committee appointed (including community council, city staff, and parents), a mission statement developed for the service and performance criteria discussed and adopted. The benefit of this management tool became clear to all participants as a method to evaluate more clearly and accurately information about performance and to make management (organizational and budgetary) decisions in order to improve the service.

The City of Ijevan's success with kindergarten services led to undertaking the same process with solid waste collection. The city contracted its closed joint stock company to collect and dispose of solid waste within the city.⁷ As a follow up to its completion of a ten-year solid waste management plan (an adjunct to the performance management analysis), the city developed a funding proposal that is based on the solid evaluation of performance and development of specific levels of service that can be used to solicit loans, municipal bonds or donor funding.

Lessons Learned and Future Directions

Lessons Learned

Throughout the project's 39 months, several observations can be made relative to Armenia programs. The first is that the in-depth training for all the above skills and capacity building should take at least one year to design, implement, monitor and revise as circumstances in each city require. The second is that combining a tangible product (such as a capital project) or outcome with training greatly enhances

⁷ The closed joint stock company is wholly owned by the City of Ijevan, which essentially made it a department of the City. The creation of a closed joint stock company was one way around the Prime Ministerial decree setting the limit of employees for the city.

the training and provides a lasting connection between the training and results. The third lesson learned is that much of the training is undone when a new mayor is elected and chooses to remove city staff below the department head level. In three of the nine cities, new mayors removed most department heads, although LGP was successful in exerting some pressure to keep key people such as former finance directors and planning and program directors.

Future Direction

The success of the capacity building training in the nine pilot cities should be rolled out to more cities. The in-depth training approach has resulted in increased top down training and skills enhancement. Pilot cities can focus attention on performance and show dramatic increases in output or outcomes of specific services. Communities that have carried out the community economic development strategies are more capable of executing of specific action plans and readily tailoring their community economic development plans with those of the Marzpetaran and central government.

Continued coordination of donor and implementer efforts with respect to computerization, budgeting, capital planning, asset management, citizen registry, land and property tax inventory and collection, community based economic development and performance management will generate the greatest positive impact and increased capacity in the urbanized communities. A similar program could be started in the rural areas if there is sufficient interest in creating voluntary associations, or intercommunity unions. However, the extreme lack of resources of the rural communities makes it very improbable they would become self-sustainable without continued specific donor and GOA funding.

IV. INCREASED TRANSPARENCY AND CITIZEN PARTICIPATION IN MUNICIPAL DECISION-MAKING PROCESSES

Key Impacts

Implementation of Participatory Urban Assessment—LGP modified the often used participatory rural assessment (PRA) to its pilot urban communities and used the participatory urban assessment as an initial step in diagnosing and assisting urban neighborhoods in identifying and prioritizing neighborhood issues and problems. The semi-structured interview of a sample of each neighborhood provided a basis for calling a meeting of the whole neighborhood (referred to in the reports as community action groups—CAGs) to discuss and ultimately rank or prioritize the neighborhood's needs and desires.

After LGP's local consultants facilitated PUA, they arranged for as many of the citizens who desired to attend neighborhood meetings to 1) discuss and rank the issues and priorities of the neighborhoods and to 2) elect representatives to coordinating committees.

Establishment of Community Action Groups and Coordinating Committees—The mayor of each pilot city appointed the elected representative of each neighborhood to the coordinating committee and set the committee to work in: 1) selecting one project for which USAID provided funding; 2) review,

comment on and recommend changes in the capital improvement plans; and 3) to carry out a similar review and recommendation function for the annual budget.⁸

Additional citizen participation strengthening activities include:

- Chapter on citizen participation in the local government administration handbook
- Establishment of community bulletin boards where none existed
- Budget and other brochures and newsletters to better inform citizens
- Establishment of computerized information centers to facilitate citizen inquiries and their responses

Annual Household Surveys

LGP planned from the beginning of the project to establish a baseline and to be able to measure the project from that baseline. In order to carry this out, LGP conducted surveys at the end of each calendar year to measure progress in the various outreach and project activities.

The Graphics presented in Appendix A are illustrative of the survey findings and represent progress made by several activities of project components including citizen participation and satisfaction with local government efforts to provide better services.

Lessons Learned

LGP and project pilot cities learned that by creating an institutional home for citizen participation such as the coordinating committee and the information centers that citizens will participate in greater numbers and will continue to participate after the initial activity has been completed. Secondly, LGP has learned that annual surveys can provide a baseline and benchmarks of progress throughout the project. Care must be taken in the crafting of the first year survey or baseline survey in order to 1) provide neutral and statistically significant measured results and to 2) measure the progress from year to year (questions must remain the same to provide the measure of progress). New questions can be added but their year-to-year measure will be limited.

Future Directions

Citizen participation will continue to grow if the citizen is given an opportunity to be active, to be heard and to work on meaningful projects and issues that directly affect him or her. The PUA-CAG approach and creation of coordinating committees go a long way toward strengthening the process and creating an institutional home for the process. This approach should be rolled out to all the other urban communities of Armenia.

⁸ Of the 9 pilot cities, there were 86 neighborhoods (CAGs) formed and over 10,000 people who participated in the full process over the course of the project.

The use of surveys to measure progress and impact of local government service delivery strengthening as well as citizen attitudes and participation should be continued. Although surveys may be expensive, they provide measurement accuracy from year to year of a project's impact on specific areas. Annual surveys should become a feature of continued local government assistance to Armenian cities.

V. ESTABLISHING CONDOMINIUM ASSOCIATIONS AND STRENGTHENING CONDOMINIUM ASSOCIATION MANAGEMENT

Key Impacts

Assistance to National Association of Condominium Owners—LGP provided training to strengthen the National Association of Condominium Owners. The training entailed methods of increasing membership, financial management, procurement and construction contract management and fulfilling the advocacy role as well as training of trainers so that NACO could provide training to membership in various topics.

NACO and LGP successfully worked with the Ministry of Urban Development to get the new Law on Condominiums and Law on Apartment Building Management passed. The new laws removed provisions that acted as barriers for condominium association establishment and registration and clarified apartment building management responsibilities.

Through contracting with NACO, LGP provided training in condominium association establishment and management and in the new legal framework for apartment building management.

Additionally, LGP conducted research on outstanding issues, what each donor organization was doing in the housing sector and wrote a strategy paper and developed recommendation that are designed to maximize donor and government impact in the housing sector. The same paper also addressed the new responsibilities that local governments were given in the new laws.

Future Directions

In addition to coordinating donor and implementer efforts, the training of multi-apartment building management staff and governing bodies should be continued. Anecdotal experience has indicated that the more proactive and knowledgeable the governing body and management of condominium associations or other type of management structure, the better the collection of fees and overall maintenance of the buildings. Future work on this area should conduct a survey to establish with statistical significance whether there is a connection between better management and level of fee collect, maintenance and apartment owner satisfaction.

As assistance for heat and water services to multi-apartment building management bodies (including condominium associations, trustees and authorized managers) increases, there will be a premium on maintenance and financial management of these management bodies because there will be multi-year loans provided.

V. APPENDICES

Appendix A Illustrative Findings of the Annual Household Surveys

Appendix B Summary of Deliverables

Appendix C Map of Armenia With Pilot Cities Identified

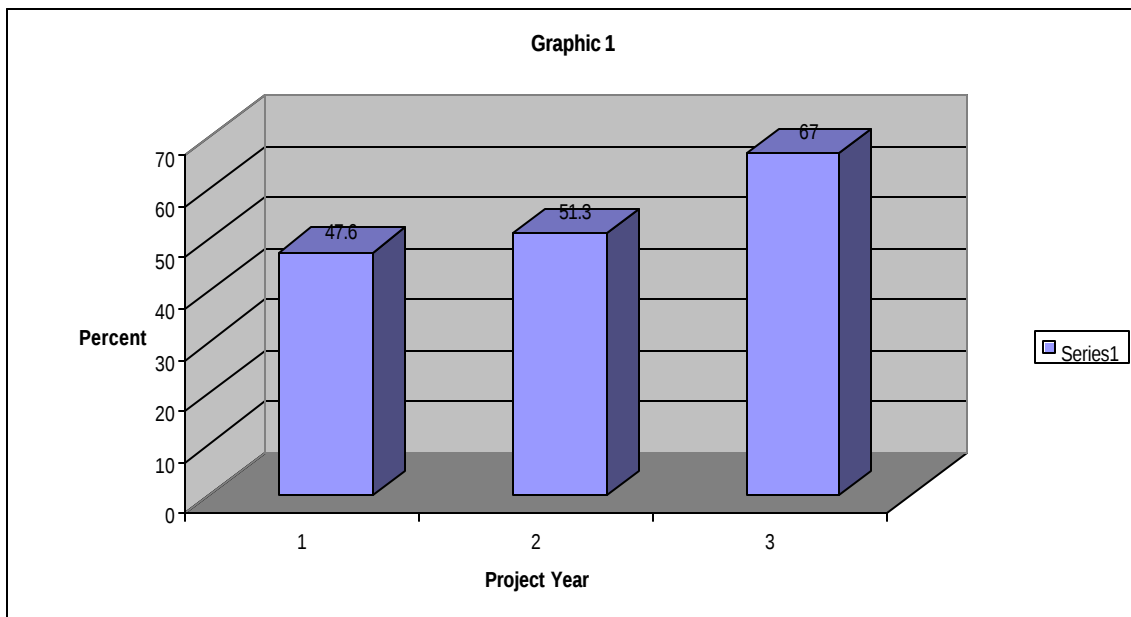
Appendix D Summary of Capital Improvement Projects Funded by USAID

APPENDIX A

ILLUSTRATIVE FINDINGS OF THE ANNUAL HOUSEHOLD SURVEYS

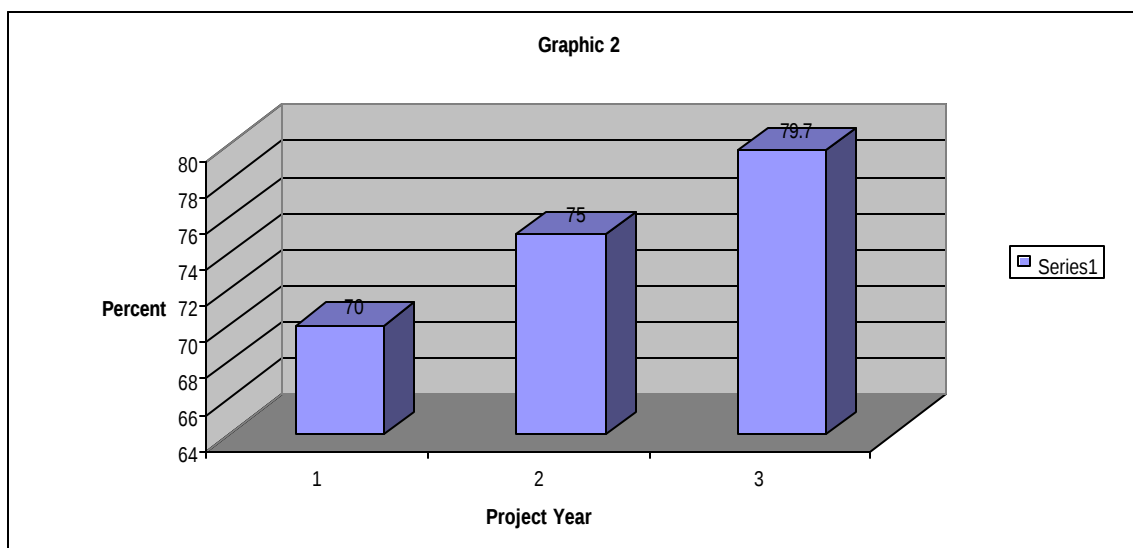
Graphic 1. Levels of satisfaction with work of city hall

Year	Percent	
2000	47.6	Increase of 19.40 percent
2001	51.3	
2002	67.0	



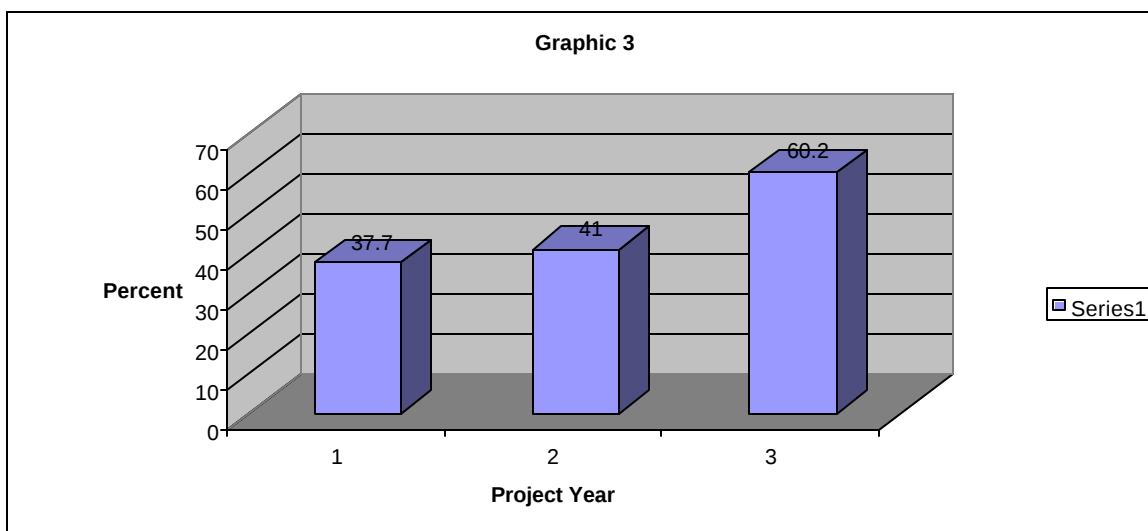
Graphic 2. If I had a problem and needed help from City Hall, I would know whom to contact

Year	Percent	
2000	70.0	Increase of 9.70 percent
2001	75.0	
2002	79.7	



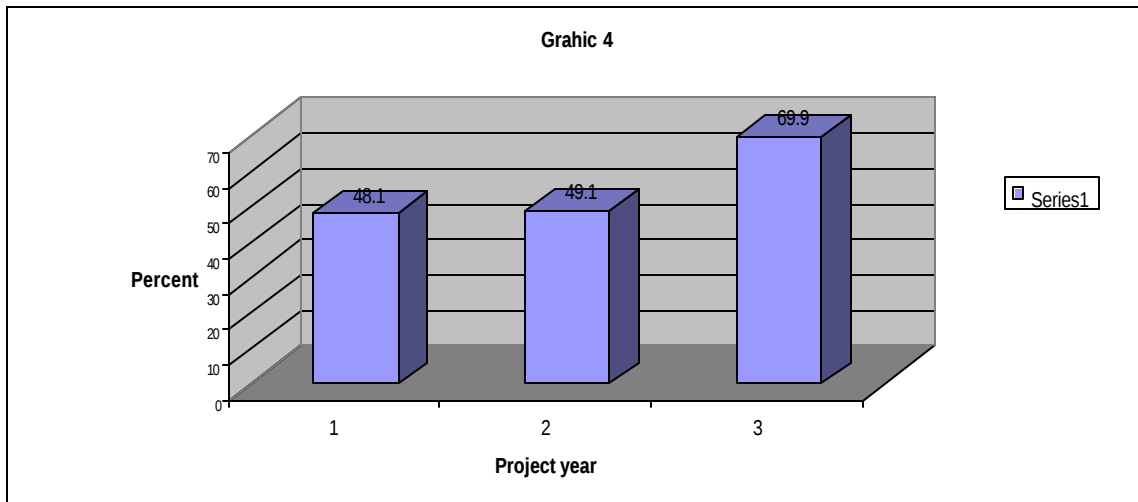
Graphic 3. City hall is very interested in and pays proper attention to what people like me think

Year	Percent	
2000	37.7	Increase of 22.50 Percent
2001	41.0	
2002	60.2	



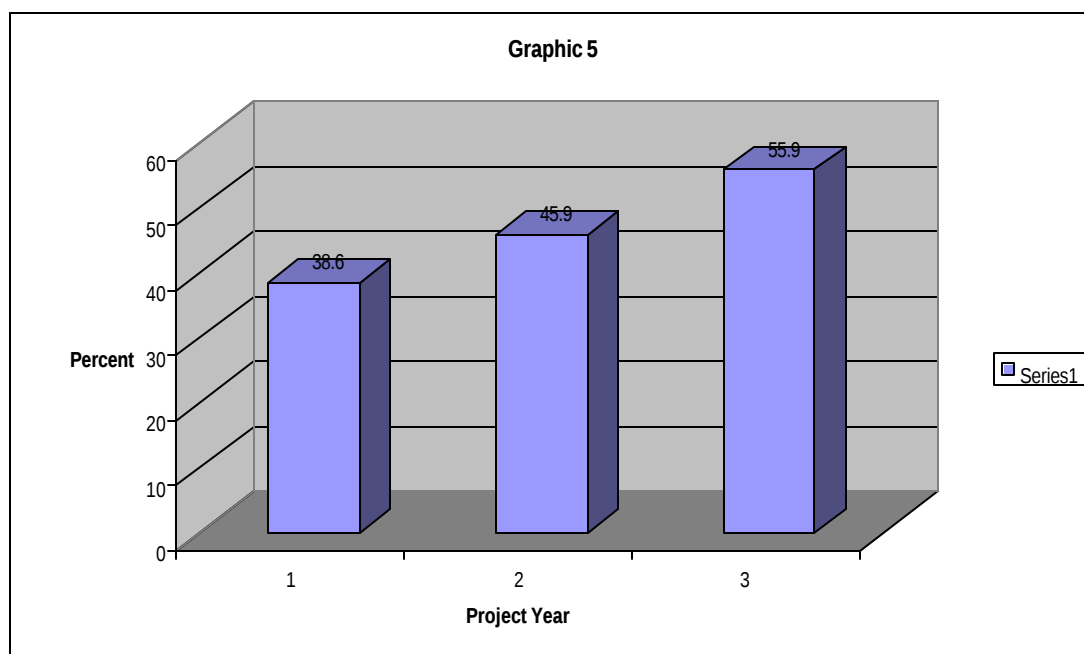
Graphic 4. City Hall does a good job in solving the city's problems

Year	Percent	
2000	48.1	
2001	49.1	
2002	69.9	Increase of 21.80 Percent



Graphic 5. Level of satisfaction with information about City Hall

Year	Percent	
2000	38.6	
2001	45.9	Increase of 17.30 Percent
2002	55.9	



APPENDIX B

SUMMARY OF DELIVERABLES

The deliverables are classified into four sections reflecting the four major components of the project. A map illustrating LGP's activities throughout the Republic of Armenia follows in Appendix C. The deliverables are filed into the following sections and sub-sections:

- **Government Decentralization and Association Strengthening**
- **Local Government Capacity and Service Delivery Improvement**
- **Citizen Participation**
- **Condominium Association Development and Strengthening**

- **Project Contract Administration Deliverables**
 - Implementation Plan
 - Milestone Plan
 - Performance Monitoring Plan
 - Quarterly Reports
 - Closeout Report

- **Decentralization and Association Strengthening**
 - Concept Paper on Local Government Reform
 - Proposed Modifications to the Equalization Law
 - Roundtable on Local Self-Government
 - Draft of Law on Local Self-Government Proposed
 - Workshop on Draft Law on Local Self-Government Proposed
 - Workshop on the Council of Europe's Charter for Local Self-Government
 - Comments on Civil Service Law Submitted
 - Association Strengthening Training—Strategic and Business Planning
 - Comments on Second Draft Law on Local Self-Government
 - Comments on Proposed Amendments to the Constitution
 - Legal Review of Second Draft Law on Local Self-Government
 - Legal Review of Proposed Amendments to the Budget Law
 - Territorial Administration Law Policy Review Paper

- **Local Government Capacity and Service Delivery Improvement**
 - Scan of Pilot Cities
 - Memorandum of Understanding for Each Pilot City



- Finance Officers Association “Commitment Control Budgeting” Software Completed
 - Methodology for Asset Management Planning in Pilot Cities
 - Asset Management Plan Completed in Pilot Cities:
 - v Alaverdi
 - v Gyumri
 - v Ijevan
 - v Jermuk
 - v Kapan
 - v Sevan
 - v Sisian
 - v Vanadzor
 - v Yeghegnadzor
 - Analysis of 2001 National Budget Impact on Local Governmental Units (LGU)
 - Analysis of Central Government Transfers to LGUs
 - Follow-up Report Providing Data for Draft Law on Equalization
 - Personnel Management For Local Governments
 - Workshop on Business Ethics and Standards for Implementation of the Procurement Law
 - Proposed Restructuring of Yerevan City Hall
 - Report on Minimum Resources Needed by Local Governments to Deliver Mandatory Services
 - Training Materials for Financial Management Policy and Budgeting
 - Training of Trainers Module for Financial Management Policy and Budgeting
 - Report on the Aggregated Budget for the City of Yerevan
 - 23 Draft Orders for Delegated Powers to LGUs
 - Guide for Election Registry for LGUs
 - Electronic Copy of Laws of Armenia Provided in CD Form for Pilot Cities
 - Community Economic Development Strategy for Ijevan
 - Community Economic Development Strategy for Alaverdi
 - Performance Management System—Kindergarten for the City of Ijevan
 - Performance Management System—Solid Waste Collection for the City of Ijevan
 - Solid Waste Collection Financing Proposal Based on Performance Management Plan
 - Local Government Administration Handbook
- **Citizen Participation**
 - PUA-CAG Reports for the cities of:
 - v Alaverdi
 - v Gyumri
 - v Ijevan
 - v Jermuk



- v Kapan
 - v Sevan
 - v Sisian
 - v Vanadzor
 - v Yeghegnadzor
 - First Annual Household Survey of Program Pilot Cities
 - Second Annual Household Survey of Program Pilot Cities
 - Third Annual Household Survey of the Program Pilot Cities
 - Guide for Citizen Participation in LGU Decisions
 - CAG and Condo Association Training in Proposal Writing and Project Planning
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- **Condominium Association Development and Strengthening**
 - Training Modules Prepared for Condominium Associations
 - Training of Trainers Provided to NACO
 - Updated Training Modules for Condominium Associations and Other Multi-Apartment Management Forms
 - Amendments to the Law on Condominiums
 - Apartment Building Management Law
 - Apartment Building Maintenance Standards and Norms
 - Strategy Paper for Donor Coordination Relative to Multi-Apartment Building Housing Stock

APPENDIX C



APPENDIX D

SUMMARY OF CAPITAL IMPROVEMENT PROJECTS FUNDED BY USAID

No.	Name of Project	Location	Direct Beneficiaries	Indirect Beneficiaries	Labor wages \$	Total budget \$	Notes
1	SC-PWP/V.D/Y-412/2002 Renovation of public buildings' roofs, entrances and playgrounds	Yeghegnadzor, Vayotz Dzor	105	2,279	18,044	74,724	Approved
2	SC-PWP/G/S-414/2002 Renovation of Culture Center	Sevan, Gegharkunik	110	3,140	19,817	82,614	Approved
3	SC-PWP/S/S-415/2002 Renovation of Kindergarten No. 1 and School No. 4	Sisian, Syunik	101	2,471	18,336	58,838	Approved
4	SC-PWP/S/K-416/2002 Renovation of kindergarten and public buildings' entrances	Kapan, Syunik	102	2,979	18,333	60,991	Approved
5	SC-PWP/L/AI-419/2002 Renovation of public buildings' roofs, entrances and adjacent area	Alaverdi, Lori	116	2,628	19,527	85,219	Approved
6	SC-PWP/T/Ij-422/2002 Construction of town Park	Ijevan, Tavush	96	5,283	16,574	78,998	Approved
7	SC-PWP/VD/J-424/2002 Renovation of School and repair of drinking water system	Jermouk, Vayotz Dzor	109	2,040	19,624	68,134	Approved
8	SC-PWP/L/V-426/2002 Renovation of Sport center	Vanadzor, Lori	108	3,168	16,550	84,270	Approved
9	SC-PWP/S/G-430/2002 Renovation of Kindergarten and public buildings' roofs and entrances	Gyumri, Shirak	112	1,960	17,610	79,697	Approved
10	SC-PWP/VD/Y-432/2002 Yeghegnadzor City Nor Avan District Irrigation System	Yeghegnadzor, Vayotz Dzor	90	2,166	16,200	57,932	Approved