



Botschaft
der Bundesrepublik Deutschland
Eriwan



Գերմանական
համագործակցություն
DEUTSCHE ZUSAMMENARBEIT

Activities of the Federal Republic Germany in Armenia

Development cooperation

Development cooperation, previously also called “development assistance”, comprises governmental development cooperation, non-governmental development cooperation and projects implemented by the Embassy itself. Germany has provided Armenia with over EUR 750 million (loans and grants) since 1992.

This brochure contains information on our current programmes and highlights some of our cooperation projects in the fields of education, culture and business.



Substation in Gyumri before and after the rehabilitation

A. Governmental development cooperation

If an implementing organisation is charged by the German Federal Ministry for Economic Cooperation and Development (BMZ) or another Federal Ministry to take measures to foster the sustainable development of Armenia, this would fall under the heading of governmental development cooperation. Governmental development cooperation can be divided into financial cooperation (larger projects financed through loans and grants from KfW) and technical cooperation (consultancy services provided by GIZ or PTB).

In Armenia, governmental development cooperation is implemented under the Caucasus Initiative of the German Federal Government: all programmes are planned on a regional level and are implemented in Armenia, Azerbaijan and Georgia. Activities are however adapted to the conditions in the three individual countries. An essential component in every programme is exchange between professionals. The issues in each country are different, but at the same time there are similarities due to the countries' common history and geographical location. Furthermore, regular exchange helps establish new contacts, which would not have been made otherwise due to the conflicts in the region.

Governmental development cooperation in the South Caucasus is focused on three main sectors: sustainable economic development, the environment and good governance. This focus allows us to pool resources and therefore achieve real improvements with limited funds.

I. Gesellschaft für Internationale Zusammenarbeit (GIZ)

GIZ has been commissioned to implement the following regional technical cooperation programmes:

- 1. Private Sector Development in South Caucasus** (commitment of EUR 10.58 million for 2017-2020 regionally for Georgia, Armenia, Azerbaijan)
 - Promotion of the private sector in the selected value chains
 - Vocational education
 - Regional and international exchange

Two further projects are being implemented in Armenia as part of this Private Sector Development Programme:

Economic Integration of Syrian Refugees in Armenia (EUR 2.5 million for Nov. 2015–March 2018)

- Public-Private Dialogue and Participation
- Integration in Value Chains and Business Networks
- Vocational Qualification and Skills Development

Support for SME Development in Armenia (Co-funded by the EU; EUR 6.4 million for 2016-2019)

- Improvement of the framework for SME development
- Strengthening of private sector support organisations
- Establishment of cooperation networks and economic clusters
- Financing for innovative start-ups and SMEs

- 2. Integrated Biodiversity Management, South Caucasus (IBiS)**
(EUR 15.45 million for 2015-2019 regionally for Armenia, Azerbaijan, Georgia, plus EUR 5.0 million co-financing from ADA)

IBiS contributes to the integrated and cross-sectoral management of biodiversity and ecosystem services by:

- Testing approaches in pilot regions; Capacity building,
- Communicating the importance of biodiversity management to the public and to political representatives.

3. Legal approximation towards European standards in the South Caucasus (EUR 9.8 million for 2015-2018 regionally for Armenia, Azerbaijan, Georgia, plus EUR 2.0 million co-financing from the EU):

- Dialogue on the rule of law
- Advice on strategies and legislation
- Fair trials, enforcement and legal security
- Integrated legal training
- Public awareness raising about the law

4. Good Local Governance Programme South Caucasus

(EUR 9 million for 2017-2019 regionally for Armenia, Azerbaijan, Georgia; plus EUR 2 million in co-financing from the EU for the promotion of regional development in Azerbaijan, EUR 1.6 million from SDC and EUR 1 million from USAID)

- Modernisation of municipal administrations
- Improving linkages between municipal and regional planning, financing and accountability
- Promotion of joint learning on good local governance across borders

5. Public Financial Management in the South Caucasus

(EUR 4.75 million for 2017-20 for Armenia and Georgia, plus EUR 1 million in co-financing from the EU for Armenia)

- Support for the harmonisation of tax policy and administration to international standards
- Advice on the introduction of program budgeting
- Establishment of internal management and supervisory systems
- Strengthening of external financial supervision
- Strengthening of parliamentary supervisory functions

6. Deployment of Integrated Experts by GIZ/CIM (currently EUR 3.2 million regionally)

The Centre for International Migration and Development (CIM), which is jointly run by the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) and the Foreign Placement Service of the German Federal Employment Agency (ZAV), places integrated experts from Germany and other EU member states with Armenian institutions. These integrated experts receive mentoring and subsidies to their salaries from GIZ on behalf of the BMZ. Five integrated experts are currently deployed in Armenia in the following institutions: International Center for Agricultural Research and Education (ICARE), Deutsche Wirtschaftsvereinigung (DWV) Armenia, State Employment Agency of Armenia (SEA) and two experts are at the Acopian Centre of the Environment at the American University of Armenia.

7. Eastern Partnership Regional Fund for Public Administration Reform (RF); sub-project Strengthening the Parliamentary Administration in the Eastern Partnership (EUR 382,000 for 2017-2019, countries: Armenia, Azerbaijan, Georgia, Moldova, Ukraine); implemented under the GIZ programme **Legal approximation towards European standards in the South Caucasus.**

- Objective: to strengthen networks within the national parliamentary administrations as well as between parliamentary administrations of the Eastern Partnership countries.

II. Physikalisch-Technische Bundesanstalt



The second implementing organisation in the field of technical cooperation is the National Metrology Institute of Germany (PTB), which likewise works at regional level.

Strengthening of food testing and metrology in the countries of the South Caucasus (EUR 2.15 million for the region in 2014-18)

- Cooperation with private food testing laboratories in Armenia and the Armenian National Metrology Institute

III. Financial cooperation

KfW is the German implementing organisation for financial cooperation. Through KfW, Germany provides loans and grants to make major infrastructure projects or economic



programmes possible and to bring them to a successful conclusion. The financing volume specified consists principally of a loan component plus grants for accompanying measures, i.e. consultancy services to ensure optimal implementation of the project. The following projects are current priorities:

1. Financial system development (total EUR 170 million financing and grants)

- Programme loans via the German-Armenian Fund (GAF) (financing volume of EUR 125 million) for housing promotion, energy efficiency in SMEs, SME – and agricultural development
- SME promotion through commercial banks (financing volume EUR 37 million)
- Advising the government on agricultural insurance (for Armenia and Georgia)
- Establishment of a deposit insurance scheme (EUR 8 million grant)

2. Protection of biodiversity in protected areas in the South Caucasus (approximately EUR 80 million grant)

- Rehabilitation of protected areas (for instance Lake Arpi)
- Caucasus Nature Fund (CNF): assumes up to 50% of the running expenses of protected areas
- Transboundary Joint Secretariat (TJS): TJS supports the three countries in cross-border environmental issues, e.g. the Ecoregional Conservation Plan

3. Renewable energy (EUR 64 million financing volume and grant) Credit program to promote the use of renewable energy via the GAF (SHP)

4. **Further extension of Armenian high-voltage network** (EUR 170 million financing volume, additional EUR 10 million loan as co-funding from the EIB and EUR 10 million grant as co-funding from the EU)
Caucasus Transmission Network: high-voltage lines, substations, Back to Back Station
5. **Integrated Water Resource Management (IWRM)**
Construction of a reservoir on Akhuryan River and distribution system for the population and agriculture (EUR 52 million financing volume)
6. **Municipal infrastructure** (EUR 107 million financing volume)
Rehabilitation of drinking and wastewater systems in Gyumri, Vanadzor und Amavir

B. Non-Governmental Development Cooperation

This comprises all projects by non-governmental organisations from Germany or other EU member states which receive funding from the German federal budget. Since this comes from German tax revenues, the NGOs are subject to rules and monitoring during the implementation of their projects. In Armenia, the following projects are currently funded by a German Federal Ministry:



Photo: ASB

1. **Workers' Samaritan Federation Germany (ASB; funding from the Federal Foreign Office and BMZ)**
Providing schools in Yerevan and district with computers and monitors
2. **Bread for the World – Protestant Development Service (funding from BMZ)**
Assisting local organisations working e.g. in regional development, legal and social assistance, peace education and decentralisation

3. Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety (BMUB)

- Support for the Armenian Ministry of Nature Conservation for the reform and further development of environmental and climate-related legislation (since 2013)
- Support for the process of establishing biosphere reserves in accordance with UNESCO regulations
- Promotion of environmental and energy efficiency projects in Armenia through the EBRD-managed E5P Fund, e.g. energy-efficient street lighting in Yerevan and the establishment of a modern landfill for solid waste (starting shortly)

4. Caritas international (funding from BMZ)

Establishing family-orientated support of children and teenagers in difficult life situations (Gjumri, Tashir)

5. German Adult Education Association (DVV International; funding from BMZ)

Based in Yerevan, DVV International supports adult education at national, regional and local levels through policy dialogue, adult education advocacy and PR, as well as enhancing opportunities for vocational and civic education. Currently, it has active projects in Yerevan, Shirak and Syunik. DVV's core funding comes from BMZ, but it also implements civic education and conflict resolution/reconciliation projects with financial support from the Federal Foreign Office.

6. Deutsche Welle Academy (DWA; funding from BMZ)

Project on freedom of speech and media development in the South Caucasus to strengthen media competence, in particular that of disadvantaged groups

7. German Foundation for International Legal Cooperation (IRZ) (funded by the German Federal Ministry of Justice and Consumer Protection)

DEUTSCHE STIFTUNG FÜR
INTERNATIONALE RECHTLICHE
ZUSAMMENARBEIT E.V.



IRZ assists the Republic of Armenia on behalf of the German Federal Ministry of Justice and Consumer Protection in the implementation of legal and judicial

reforms, in particular in the field of criminal law and private international law.

The most important cooperation partners are the Ministry of Justice of the Republic of Armenia, the judiciary, the chamber of advocates and the notarial chamber. Furthermore IRZ supports the education and on-the-job-training of young lawyers in close cooperation with the Law Faculty of the State University Yerevan. It also organises language courses in Armenia and Germany.



IRZ Event in Armenia

8. Political foundations (funding from BMZ)

○ Friedrich-Ebert-Stiftung

Strengthening civil society and supporting the development of a progressive democratic political culture. Promoting inclusive sustainable economic development with a focus on modern trade unions and constructive social partnership. Activities on closer cooperation with the European Union, as well as on the challenges of regional and international security



○ Friedrich Naumann Foundation for Freedom

Activities (seminars, publications, etc.) in the field of market economy and constitutional states, conflict management and conflict resolution, as well as cooperation by the states of the South Caucasus with European and Euro-Atlantic structures

○ Konrad-Adenauer-Stiftung e. V.

Activities in the domain of foreign and security policy dialogue, exchange between cultures and religions

- **Heinrich Böll Foundation**
Support for democratic political culture including participatory urban development and addressing the past, support for regional and international dialogue, as well as conflict transformation, activities in the domain of gender democracy, ecology and energy

9. Senior Expert Service (SES; funding from BMZ) Retired professionals from Germany advise Armenian companies (SMEs) on a volunteer basis for several weeks at a time.

10. Sequa gGmbH (funding from BMZ)

Training Centre of Trade and Industry Mecklenburg-Western Pomerania e. V.: Vocational Education and Training Partnership with the Armenian Republican Union of Employers.

11. SOS Children's Villages (funding from BMZ EUR 189,553 for 2013-2016)

SOS-Kinderdorf runs an orphanage and a kindergarten in Kotayk. In Yerevan, the organisation supports strengthening families programmes, and has launched an emergency programme for Syrian-Armenian refugees.

12. Savings Banks Foundation for International Cooperation (funding from BMZ)

Projects to ensure the responsible provision of financial services and their qualified use (development of financial sector):

- Financial education measures and creation of (cost) transparency
- Supporting financial institutions in the provision of responsible financial services
- Supporting the Central Bank and relevant Ministries in the development of national strategies on financial education and consumer protection regulations

13. Federal Environment Agency (funding from BMUB)

- Strategy development for the freshwater ecosystem in the Caucasus (EUR 89,556.20)
- Development of a chemical information system (EUR 127,226.70)
- Legal assistance to modernise environmental legislation

14. Weltwärts (funding from BMZ) Young volunteers from Germany work for charitable organisations in Armenia for one year. Roughly ten volunteers come to Armenia each year.

15. World Vision (funding from BMZ)

Project in Vardenis, to improve the living conditions of children, as well as supra-regional economic support to create new perspectives for the young people of Armenia.

16. WWF Germany (funding from BMZ, EUR 445,137)

Establishment of Community-based Models for Biodiversity Protection in Ecological Corridors in the Southern Caucasus (Armenia) 2014–2017.

C. Self-initiated measures of the German Embassy



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Self-initiated measures are directly implemented by the German Embassy; they include above all small-scale projects (funding volume up to EUR 8000).

1. Visitors' Programme of the Federal Government

Special themed trips in the domain of location marketing and creative businesses with the aim of supporting/further developing the Armenian economy

2. Projects concerning foreign energy and raw materials policy (Federal Foreign Office financing)

Dissemination of the German Government's Energy Concept and support of development towards a CO₂-neutral economy; knowledge and technology transfer and training

3. Human rights projects (Federal Foreign Office financing)

Projects supported in 2015: Influencing the Women’s Rights Agenda (budget of EUR 32,900) – promoting women rights and protecting women; Capacity Building and Empowerment of Human Rights Defenders and Emerging Leaders for LGBT Rights Protection in Armenia (budget of EUR 32,000). The German Embassy also helps fund the project “Supporting the Reform of the System of Police Education and Professional Training in the Republic of Armenia” (budget EUR 25,000 for 2016).

4. Supporting civil society in the countries of the EU’s Eastern Partnership (Federal Foreign Office financing, total budget for 2017, EUR 14 million, for projects with links to Armenia, EUR 755,000)

Bilateral and multilateral measures to support necessary transformation processes and to strengthen civil society in the Eastern Partnership countries (Moldova, Belarus, Armenia, Georgia, Azerbaijan, Ukraine) and Russia. The focus lies mostly on cultural and education projects and media diversity.

5. MitOst (Federal Foreign Office financing; EUR 50,000 for 15 April to 31 December 2016)

Young adults from Armenia learn about democratic action, understanding and sustainable development within the project Active.Democratic.Open/EcoLab and implement regional projects.

6. Small-Scale Projects (budget for 2017: EUR 40,000)

The Embassy supports Armenian charitable organisations in order to alleviate acute hardship and to improve the living conditions of vulnerable groups within society.

- **Renovation of the roof of Berlin polyclinic (2017; EUR 12,300)**
 - Shirak Marz, Gyumri
 - Foundation “Für Armenien”
- **Creating a raspberry plantation with 4000 shrubs (2017; EUR 4200)**

- Lori Marz, Arevatsag village
- Village interest group (supervised by World Vision)
- **Production of raspberry jam and raspberry juice (2017; EUR 7000)**
 - Aragatsotn Marz, Aragats village
 - “Sweet Aragats” action group
- **Purchase of a refrigeration unit for fresh milk and expansion of storage capacity for cheese production at Lake Arpi (2017; EUR 7500)**
 - Shirak Marz, Haykavan village
 - “Haykavan Kat” farmers’ cooperative
- **Creation of a center for deaf persons in Kapan region (2017; EUR 9000)**
 - Syunik Marz, Kapan
 - Development Initiatives Regional Socio-economic NGO

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Contact

You can find further information on funding opportunities and other matters on our website: www.eriwan.diplo.de

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