In Armenia, over a quarter of the population lives below the official poverty line. Severe economic recession, problems related to the transition to a market economy and dramatic consequences of natural disasters, are all factors further impeding the country’s own efforts to improve living conditions. Income inequality and lack of opportunities are high, particularly for refugees, internally displaced persons, women and other vulnerable groups.

In support of the Government’s efforts, numerous United Nations organizations, including UNIDO, the United Nations High Commissioner for Refugees (UNHCR), the United Nations Development Programme (UNDP), the United Nations Population Fund (UNFPA) and the United Nations Children’s Fund (UNICEF), developed a project in the Kotayk and Gegharkunik regions to create a basis for sustainable development in local communities by using an integrated approach covering poverty reduction, education, health, and local environmental challenges.

In this context, UNIDO supports the empowerment of poor and vulnerable rural households by encouraging their participation in economic life. A special focus is on women and youth. In an initial phase, UNIDO is training 200 “would-be” entrepreneurs, including women heading single parent families and young people. A microcredit facility will be established to support local businesses. Upon the completion of a detailed study on available renewable energy resources in the region, UNIDO will support the improvement of access to modern and clean energy services through the construction of pilot biogas plants, with specific training activities for the local population in the operation and maintenance of these energy systems.

Current results
- Assessments of business interests and training needs conducted
- 103 persons out of the 200 targeted have been trained in entrepreneurial skills, including a 35% participation of women
- Three in-country business tours conducted in other regions
- Ongoing establishment of an SME-support fund
- Energy services have been identified; the construction of local capacities is underway
- Collaboration between UNDP, UNIDO, UNFPA and UNICEF strengthened

Impact/Outlook
Human security concerns are best tackled when the intervention is multi-faceted, with a focus, not only on infrastructure rehabilitation, but also on ensuring sustainable income opportunities, as well as by providing quality health care. Accordingly, the agricultural inputs provided by UNDP are being used as an economic base to elaborate the income generating and biogas activities foreseen by UNIDO. As a result of the project, the targeted beneficiaries will have sustainable sources of income and will see their health conditions improve.

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At a glance:
- Goal: Secure livelihoods for vulnerable groups
- MDG: 1. Eradicate Extreme Poverty and Hunger, 3. Promote Gender Equality and Empower Women
- Thematic area: Poverty Reduction through Productive Activities
- Donor: Japan through the United Nations Trust Fund for Human Security (UNTFHS)
- Budget: USD 2,259,000 of which USD 822,500 for UNIDO
- Status: ongoing
- Duration: 2009 - 2011