



# THE URBAN FOUNDATION FOR SUSTAINABLE DEVELOPMENT

Annual Report  
**2006**





Urban  
Foundation  
for Sustainable  
Development



Non-governmental  
not-for profit organization  
with the goal of facilitating  
community-based social  
and economic development

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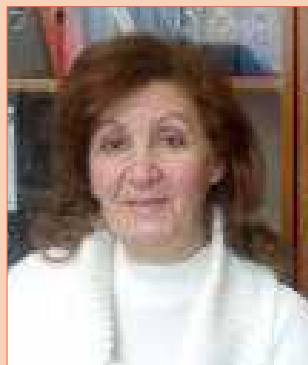


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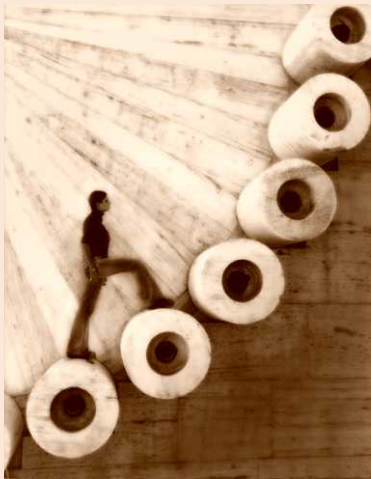
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## MESSAGE FROM THE CHAIRPERSON OF THE BOARD OF TRUSTEES



*The year 2006 was challenging for the relatively new Urban Foundation for Sustainable Development (UFSD). Over the last twelve months, our experts worked hard to raise funds to meet the needs of beneficiaries falling under the organization's priority activity areas. UFSD Board of Trustees and the Executive Staff negotiated with donors and partners to direct efforts toward the improvement of living standards in the communities.*

*During this past year, UFSD strengthened its relations with existing donors and partners and acquired new donors. The organization also expanded its areas of activity, particularly by contributing to the euro-integration processes of Armenia, which it considers as an indispensable component for creating dignified life and sound environments in Armenian communities.*

*The year 2006 also saw successful implementation of projects in housing finance market development, technical assistance in housing provision, capacity building in apartment management, and awareness raising connected with Armenia's integration into European structures.*

*I would like to praise the UFSD Board of Trustees and Executive Staff for their dedication, as well as all UFSD donors and partners for their continued support and collaboration. I believe 2007 will be even more fruitful for UFSD, and am confident it will be further recognized for its ability to mitigate community needs.*

Sincerely,  
Armen Varosyan  
Chairperson of the Board of Trustees



## MESSAGE FROM THE EXECUTIVE DIRECTOR



*The year 2006 was productive for the Urban Foundation for Sustainable Development, with a number of interesting projects being implemented. All of these efforts contributed to enhancing the physical and legal environment of communities in Armenia and outside the country. Many of the projects were aimed at improving housing conditions, developing residential building management and maintenance tools, and fostering open debate over issues faced by European integration. The UFSD staff continued its search for new ways to provide consultative and scientific research assistance to governmental and non-governmental organizations in Armenia and other countries. The Foundation also increased its collaboration with other organizations sympathetic with its mission. UFSD has strengthened its image as a provider of tools and guidelines dedicated to solving problems in the economic, housing, legal, organizational, environmental and other sectors. We have consistently worked to advance organizational management and structure based on principles of democratic self-governance and financial discipline. Our network of high level experts has been expanded. I look forward to the coming year, one in which UFSD will build on its reputation for bringing quality services to communities. **Herewith the UFSD kindly thanks Mr. Bill Tate for editing this Annual Report.***

Sincerely  
Irina Vanyan  
Ph.D, Executive Director



## CORE ACTIVITIES OF THE URBAN FOUNDATION

### We bring innovative solutions in the following areas:

- ▶ Community Development
- ▶ Public Administration
- ▶ Environmental Awareness
- ▶ Social Security Issues
- ▶ Housing and Urban Development Policy
- ▶ Civil Society
- ▶ Legal Assistance in all aforementioned areas
- ▶ Technical Assistance and Training
- ▶ Research

### Projects implemented to date

- ▶ IDP Housing Voucher Pilot Program, Kutaisi, Georgia with funding from US Department of State Bureau for Population, Refugees and Migration
- ▶ Development of a Sustainable Market for Housing Finance (Phase I) in the Republic of Armenia
- ▶ Effective Management of Housing for Refugees of residential building for 40 Refugees in Goris supported by Swiss Agency for Development and Cooperation
- ▶ European Integration as a Guarantee for Regional Peace and Democracy funded by UK Embassy (follow-up) (Lori Region)
- ▶ Awareness Building on European Integration Process for Regional Youth funded by UK Embassy (Shirak Region)
- ▶ Technical Assistance to Provision of Housing Purchase Certificates Financed under 2005 Armenia State Budget Expenditure Program in Gyumri and Stepanavan in the framework of the USAID-funded Earthquake Zone Recovery Project
- ▶ Awareness-Building for Improved Urban Environment small grant project supported by the World Bank and Open Society Institute Assistance Foundation Armenia Country Office
- ▶ Development of a Sustainable Market for Housing Finance in Armenia: feasibility study and project development
- ▶ The Role of Central Government in Facilitating the Development of Decentralized Water Supply and Sanitation (WSS) Services: the Case of Armenia: a focus on the financial dimension

### Donors and Partners

- ▶ US Department of State, Bureau for Population, Refugees and Migration
- ▶ The Urban Institute (Washington DC)
- ▶ Swiss Development and Cooperation Agency (SDC)
- ▶ UK Embassy
- ▶ European Union
- ▶ Frankfurt School of Finance and Management (Germany)
- ▶ United States Agency for International Development (USAID)
- ▶ Open Society Institute Assistance Foundation
- ▶ World Bank
- ▶ Institute for Urban Economics (Moscow)
- ▶ Organization for Economic Cooperation and Development (OECD)
- ▶ Government of the Republic of Armenia, Ministry of Urban Development and Shirak and Lori Regional Governors' Offices



## INTERNATIONAL ENGAGEMENT: GEORGIA IDP HOUSING VOUCHER PILOT PROGRAM (PHASE I)



- ▶ This Program was being carried out in the City of Kutaisi (Georgia) with funding from the US Department of State, Bureau for Population, Refugees and Migration.
- ▶ The Program implementation period was from August 1, 2005 to July 31, 2006.
- ▶ The program beneficiaries were families displaced from their homes in Abkhazia following the 1992-1993 Georgian-Abkhazian civil conflict, who currently live in various collective centers and are classified as Internally-Displaced Persons (IDPs).
- ▶ The Program was designed to provide housing vouchers as a way of improving the living conditions of IDPs living in collective centers in the City of Kutaisi.

**As a result of first phase of the pilot program, more than 90% of 126 beneficiaries have bought apartment or housing through housing vouchers.**



- ▶ US Department of State, Bureau for Population, Refugees and Migration as well the US Embassy representatives visited Kutaisi on May 3, 2006 to evaluate the results of the first phase of the Georgia IDP Housing Vouchers pilot program.



- ▶ The closing workshop of phase one of the Georgia IDPs Housing Voucher pilot program took place in Chakvi (Georgia) on June 16-18, 2006. The results and lessons learned were discussed with staff and stakeholders of the pilot program. The participants developed recommendations for improving the program implementation procedures.



## INTERNATIONAL ENGAGEMENT: GEORGIA IDP HOUSING VOUCHER PILOT PROGRAM (PHASE II)



- ▶ This Project is being carried out in the City of Kutaisi (Georgia) with funding from the US Department of State, Bureau for Population, Refugees and Migration as a follow-up of phase I.
- ▶ The Project implementation period is from September 25, 2006 to June 24, 2007.
- ▶ It is a logical development of the pilot program phase I with the same vision implemented before in Kutaisi.
- ▶ For the second phase of Georgia IDP Housing Voucher Pilot Program, 12 collective centers were selected to house Georgian IDPs.
- ▶ The Project is designed to provide about 100 housing vouchers as a way of improving the living conditions of IDPs staying in collective centers in the City of Kutaisi.
  
- ▶ The housing vouchers issuance ceremony was organized by the pilot program staff on November 9, 2006 for the second phase of Georgia IDP Housing Voucher Pilot Program. The first IDP families received their housing vouchers during the ceremony.
  
- ▶ The “Abkhazeti Center” and “Kutaisi Information Center” non-governmental organizations of Kutaisi, as a steering committee, are taking part in project implementation.
- ▶ NGOs are helping beneficiary families in many ways, including their search for apartments.



## DEVELOPMENT OF A SUSTAINABLE MARKET FOR HOUSING FINANCE (PHASE I) IN THE REPUBLIC OF ARMENIA



- ▶ The Government of Armenia requested the German Bank KfW to take the lead in developing the mortgage finance sector, including creation of a primary market for housing finance.
- ▶ This Project was carried out from May to September 2005 in the City of Yerevan with follow-up in 2006-2009.



- ▶ The project is implemented by a group of international experts, whose members represented Frankfurt School of Finance and Management (Germany), the Urban Institute (Washington, DC) and Jurisconsult LLC (USA).
- ▶ Frankfurt School of Finance and Management (FSFM) team is providing technical support to the PMU GAF during the implementation of the Housing Finance Refinancing Facility. UFSD is the local partner of FSFM



- ▶ The Urban Foundation for Sustainable Development provided support to Accompanying and Training Measures. UFSD staff assisted the team leader with day-to-day administrative management and logistical issues and backstopping FSFM (preparation and organization of meetings, research activities and others).



### EFFECTIVE MANAGEMENT OF RESIDENTIAL BUILDING FOR 40 REFUGEES IN GORIS



- ▶ This Project was implemented in Goris during July-October 2006 under the Swiss Agency for Development and Cooperation (SDC) funding.
- ▶ The goal of the Project was to promote the condominium form of ownership to ensure sustainable management and maintenance of housing constructed in Goris (Syunik Region) within the framework of UNHCR Shelter Program intended to shelter 40 selected refugee families.

The project was designed to build residents' capacity for sustainable management and maintenance through initiative group development and by organizing training into the following sections:

- ▶ Introduction to multi-apartment building management
- ▶ Types of ownership for multi-apartment building
- ▶ Mandatory requirements for multi-apartment building maintenance
- ▶ Rights and responsibilities of the owners of multi-apartment building
- ▶ Management types of multi-apartment building based on Armenian legislation
- ▶ Introduction to condominium associations

The study provided a detailed overview of:

- ▶ Armenian legislation on housing real estate ownership registration;
- ▶ The Armenian system of multi-apartment building management;
- ▶ Condominium financial and budgeting matters.

As a result of the study, an information package was submitted to the Client offering recommendations on effective management and maintenance for residential building constructed in Goris for 40 refugees.

A sustainable and productive relationship was established with the stakeholders of the local government of Goris and regional government of Syunik. Meetings and round tables were organized within the frame of the project during three months.

A Round Table was held by the project staff in August 2006 to present all issues that could jeopardize success during the early phase of implementation.

The presentation of results and appropriate recommendations were made by the team on December 21, 2006 within the frame of the project. Syunik Marz Administration, UNHCR and SDC representatives, as well other stakeholders, attended this presentation.

The participants showed interest in the recommendations made by the project staff. In conjunction with many of the recommended points was a required follow-up demonstrating effective management principles.



### AWARENESS BUILDING ON EUROPEAN INTEGRATION PROCESS FOR REGIONAL YOUTH (SHIRAK REGION)



- ▶ This Project was carried out in the Shirak Region (Armenia) with funding from the UK Embassy.
- ▶ The first phase of the Project was implemented from April-November 2006.

The Project is designed to foster among regional youth healthy debate over Armenia's European integration, as well to raise awareness of European issues.

The project beneficiaries were 100 young, bright people from Shirak Region, mainly university students, who demonstrated enthusiasm to learn about Armenia's present political environment and wished to contribute to the country's improvement and democratization.

The actual TV talk shows were organized in Gyumri in the frame of the project.



The topics of the talk shows were:

- ▶ Overview of the European structures;
- ▶ Armenia's obligations as a member of Council of Europe;
- ▶ European Neighborhood Policy and Armenian Agenda;
- ▶ European and Armenian values.

The outcome of the project was the establishment of a group of bright, young people in Shirak region who understand the direction Armenia is trying to move, why this integration is beneficial, and what they as active citizens should do to help that advancement.



## EUROPEAN INTEGRATION AS A GUARANTEE FOR REGIONAL PEACE AND DEMOCRACY (LORI REGION)



- ▶ This Project is being carried out in the region of Lori (Armenia) with funding from the UK Embassy.
- ▶ The Project implementation period is from November 1, 2006 to March 31, 2007.
- ▶ This Project is a logical development of the earlier project with the same vision implemented in Shirak region.

The Project is designed to foster among regional youth healthy debate over Armenia's European integration, as well to raise awareness of European issues.

The project beneficiaries are 100 bright, young people from Vanadzor, Stepanavan and Alaverdy of Lori Region, mainly university students, who demonstrate enthusiasm to learn about Armenia's present political environment and wish to contribute to the country's improvement and democratization.

The actual talk shows will be organized in Vanadzor in 2007.

The topics of the talk shows will be:

- ▶ Overview of the European structures and Armenia's obligations as a member of Council of Europe;
- ▶ European Neighborhood Policy and Armenian Agenda;
- ▶ European integration and Karabagh Conflict. Opportunities for peaceful resolution and regional cooperation;
- ▶ Why elections are important for further democratization;
- ▶ European and Armenian values.

The outcome of the project will be establishment of a group of bright, young people in Lori region who understand the direction Armenia is trying to move, why this integration is beneficial and what they as active citizens should do to help that advancement.

Topical literature (books, brochures, newspapers, posters, magazines) will be disseminated to provide informational support to people.



## PARTICIPATION IN EXHIBITIONS, CONFERENCES AND TRAINING PROGRAMS



- ▶ During September 18-20, 2006, UFSD staff took part in the third Armenian-Diaspora Conference in Yerevan, Armenia, which was scheduled in recognition of the 15th anniversary of Armenia's independence.
- ▶ The Conference was comprised of three segments: a general plenary session, a plenary session on rural poverty eradication, and a forum entitled "New Answers to Old Questions: Armenians in the 21<sup>st</sup> Century."
- ▶ Government and international organization representatives, as well as those individuals and organizations who have agreed to sponsor a village in the Rural Poverty Eradication Program participated.



- ▶ UFSD Staff (I. Vanyan, A. Varosyan, S. Nazaryan) participated in the Conference and Exhibition held during the same period.
- ▶ The purpose of UFSD participation was to present its current activities and to offer ideas or projects aimed at Armenian village development.
- ▶ UFSD presented published materials, photos, brochures, and posters of UFSD-implemented projects from different periods.



## PARTICIPATION IN EXHIBITIONS, CONFERENCES AND TRAINING PROGRAMS



- ▶ On July 19, 2006 Urban Foundation (UFSD) staff members (I. Vanyan and A. Varosyan) took part in the Round Table discussion on Housing Problems of Refugees and IDPs in the South Caucasus supported by Danish Refugees Council (DRC).
- ▶ The Round Table elicited the exchange of information on the housing policy between Armenian and Caucasus delegation parties.
- ▶ Current housing policy in the Republic of Armenia and housing projects for IDPs in the Republic of Georgia were presented at the Round Table.
- ▶ A presentation on the Georgia IDP Housing Vouchers Pilot Program (Phase I) was made by Irina Vanyan, Executive Director of UFSD.

- ▶ On September 3, 2006 I. Vanyan, UFSD Executive Director, was invited by Habitat for Humanity Armenia to attend the opening ceremony of "His Holiness Karekin II Work Project," with reference to the volunteer contribution work in Gavar, Gegharkunik region. This project was made possible by an agreement between Habitat for Humanity and the Armenian Apostolic Church.



## PROFESSIONAL DEVELOPMENT AND PERSPECTIVES



- ▶ During October 17-24, 2006, UFSD's Armen Varosyan took part in the international program "Educational Activity in Human Rights: Training for Trainers" in Yalta (Crimea, the Ukraine) funded by OSCE, Office for Democratic Institutions and Human Rights (ODIHR), and Canadian International Development Agency (CIDA).



- ▶ During July 17-28, 2006, UFSD staff member Samvel Nazaryan took part in the training "Freedom of Speech Technique 10" (Warsaw, Poland) funded by the "Poland-Czech-Slovak Community" Foundation. The goal was to train participants from Armenia, Russian Federation, Ukraine, and Moldova in the computer program "InDesign." The program will be used by the participants as an important tool in promoting freedom of speech and a transparency provision process.



- ▶ A meeting with Georgia's Norwegian Refugees Council (NRC) staff took place on November 2006 in Yerevan's UFSD Office. The multi-unit building effective management provision was discussed, including its social, legal, and technical ramifications.
- ▶ The UFSD staff presented 3 models related to the housing provision: (1) vouchers, (2) apartment building management and maintenance, and (3) landscaping apartment building grounds through active community participation and training.





# PUBLICATIONS



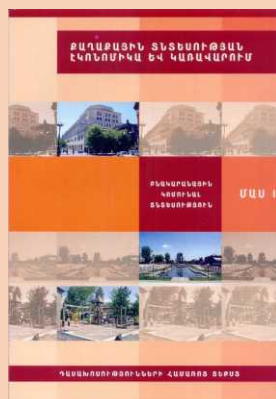
- ▶ “Europe and We” brochure published within the frameworks of the European Integration and Armenian Obligations: Dialogue with Regional Youth. (Shirak Region).
- ▶ The brochure presents the procedures, obligations, responsibilities, and other issues related to the coming integration process of Republic of Armenia with Europe.



- ▶ The Urban Foundation for Sustainable Development (UFSD) 2005 Annual Report was published in Armenian and English languages.
- ▶ This illustrated periodical is a report of the projects and activities implemented by the UFSD staff in 2005.



- ▶ “Multi-Apartment Building Management and Maintenance” informational package was published within the framework of the “Effective Management of Residential Building for 40 refugees in Goris” project implemented by the UFSD staff.
- ▶ This package provides information on multi-apartment building management types, apartment owners' responsibilities and rights, condominiums, relationship between a condominium and its owners, etc.



- ▶ “Urban Economics and Management Part I: Housing and Communal services” book was published in order to provide educational support to the State University of Architecture and Construction in Yerevan.
- ▶ This book is a short lectures course for students.

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