

Statistical Annex

Annexes are numbered in accordance with the numeration of the respective chapters.

In certain cases insignificant difference between the totals and the sum of the components is the result of rounding the data.

Annex 1

Table A1.1 - Armenia: Natural Population Flows, Marriages and Divorces, by Regions and in Yerevan, 2014

| | Permanent population at the end of year (in thousands) | | | Births | | | Deaths | | | Marriages | Divorces |
|---------------------------|--|--------|--------|--------|-------|--------|--------|-------|--------|-----------|----------|
| | Total | Male | Female | Total | Male | Female | Total | Male | Female | | |
| Armenia, including | 3010.6 | 1439.1 | 1571.5 | 43031 | 22869 | 20162 | 27714 | 14219 | 13495 | 18912 | 4496 |
| Yerevan | 1071.5 | 496.1 | 575.4 | 16139 | 8511 | 7628 | 9327 | 4749 | 4578 | 6886 | 1683 |
| Aragatsotn | 131.3 | 65.5 | 65.8 | 1931 | 1053 | 878 | 1172 | 614 | 558 | 887 | 187 |
| Ararat | 260.1 | 126.7 | 133.4 | 3764 | 2016 | 1748 | 2252 | 1139 | 1113 | 1680 | 354 |
| Armavir | 267.0 | 130.5 | 136.5 | 3615 | 1950 | 1665 | 2341 | 1196 | 1145 | 1640 | 329 |
| Gegharkunik | 233.0 | 117.5 | 115.5 | 3078 | 1643 | 1435 | 1817 | 932 | 885 | 1218 | 157 |
| Lori | 228.0 | 106.7 | 121.3 | 3359 | 1716 | 1643 | 2746 | 1380 | 1366 | 1608 | 640 |
| Kotayk | 255.0 | 123.4 | 131.6 | 3779 | 2013 | 1766 | 2265 | 1232 | 1033 | 1795 | 356 |
| Shirak | 246.4 | 117.9 | 128.5 | 3726 | 2031 | 1695 | 2699 | 1375 | 1324 | 1489 | 421 |
| Syunik | 140.2 | 68.8 | 71.4 | 1503 | 798 | 705 | 1263 | 651 | 612 | 752 | 168 |
| Vayotz Dzor | 51.4 | 25.1 | 26.3 | 636 | 339 | 297 | 492 | 250 | 242 | 325 | 76 |
| Tavush | 126.7 | 60.9 | 65.8 | 1501 | 799 | 702 | 1340 | 701 | 639 | 632 | 125 |

Source: RA NSS

Table A3.1 – Armenia: Poverty Indicators, 2008 and 2014
(Standard Errors in Parenthesis)

(percent)

| | 2008 | | | 2014 | | |
|-------------------------|----------------|---------------|---------------------------------------|----------------|---------------|---------------------------------------|
| | Extremely poor | Poor | Share of the poor in total population | Extremely poor | Poor | Share of the poor in total population |
| Urban communities | 1.9 (0.3) | 27.6 (0.9) | 64.9 | 2.4 (0.2) | 30.0 (0.8) | 63.5 |
| Yerevan | 1.1 (0.4) | 20.1 (1.4) | 33.9 | 2.0 (0.4) | 25.2 (1.4) | 32.5 |
| Other urban communities | 2.8 (0.4) | 35.8 (1.1) | 31.0 | 2.9 (0.4) | 35.1 (1.1) | 31.0 |
| Rural communities | 1.2 (0.4) | 27.5 (1.4) | 35.1 | 2.0 (0.4) | 29.9 (1.7) | 36.5 |
| Total | 1.6 (0.2) | 27.6 (0.8) | 100 | 2.3 (0.2) | 30.0 (0.9) | 100 |

Source: ILCS 2008 and 2014

Note: Consumption is measured per adult equivalent. Poverty indicators are computed using the 2009 minimum food basket and the share of non-food products estimated in 2009. Poverty lines are adjusted for inflation. Standard errors are computed with PSU adjustments.

Table A3.2 – Armenia: Per Adult Equivalent Monthly Consumption, by Decile Groups,
2008 and 2014 (AMD, in 2008 Average Annual Prices)

(percent)

| Decile groups | 2008 | | 2014 | | Average annual change in consumption, 2008-2013 |
|------------------|----------------------------|------------------|----------------------------|------------------|---|
| | Share in total consumption | Mean consumption | Share in total consumption | Mean consumption | |
| 1 (the poorest) | 4.8 | 20462 | 4.3 | 20589 | 0.1 |
| 2 | 5.9 | 25200 | 5.6 | 26668 | 0.9 |
| 3 | 6.7 | 28907 | 6.2 | 29256 | 0.2 |
| 4 | 7.6 | 32524 | 7.6 | 35817 | 1.6 |
| 5 | 8.4 | 36311 | 8.3 | 39687 | 1.5 |
| 6 | 9.4 | 40213 | 9.1 | 43482 | 1.3 |
| 7 | 10.5 | 44839 | 10.1 | 47850 | 1.1 |
| 8 | 11.9 | 50663 | 11.2 | 53519 | 0.9 |
| 9 | 13.9 | 59478 | 13.2 | 62613 | 0.9 |
| 10 (the richest) | 20.9 | 90123 | 24.4 | 116524 | 4.4 |
| Average | 100 | 42870 | 100 | 47595 | 1.8 |

Source: ILCS 2008 and 2014

Table A3.3 – Armenia: Basic Poverty Indicators, by Regions and in Yerevan, 2008 and 2014 (Standard Errors in Parenthesis) (95% Confidence Interval in Braces)

(percent)

| | 2008 | | 2014 | | Share in poor population | Share in total population |
|--------------------|---------------------------------|------------------------------------|---------------------------------|------------------------------------|--------------------------|---------------------------|
| | Extremely poor | Poor | Extremely poor | Poor | | |
| Yerevan | 1.1 (0.4) {0.3 ; 1.9} | 20.1 (1.4) {17.3 ; 22.9} | 2.0 (0.4) {1.0 ; 2.9} | 25.2 (1.4) {22.0 ; 28.4} | 27.2 | 32.6 |
| Aragatsotn | 0.5 (0.4) {-0.3 ; 1.3} | 20.3 (3.2) {13.9 ; 26.7} | 0.5 (0.5) {-0.7 ; 1.7} | 18.7 (2.2) {13.5 ; 23.8} | 2.8 | 4.4 |
| Ararat | 1.6 (0.7) {0.2 ; 3.0} | 31.3 (2.9) {25.5 ; 37.1} | 1.6 (0.7) {-0.1 ; 3.2} | 28.5 (4.1) {19.0 ; 38.0} | 7.3 | 7.7 |
| Armavir | 0.7 (0.3) {0.1 ; 1.3} | 24.5 (2.4) {19.7 ; 29.3} | 2.9 (0.5) {1.7 ; 4.1} | 29.0 (2.4) {23.5 ; 34.6} | 9.0 | 9.3 |
| Gegharkunik | 0.4 (0.1) {0.2 ; 0.6} | 32 (3.1) {25.8 ; 38.2} | 2.1 (0.9) {-0.1 ; 4.2} | 32.3 (2.5) {26.5 ; 38.2} | 7.7 | 7.2 |
| Lori | 2.8 (0.8) {1.2 ; 4.4} | 34.2 (2.5) {29.2 ; 39.2} | 3.0 (0.8) {1.2 ; 4.7} | 36.4 (1.4) {33.1 ; 39.6} | 11.5 | 9.4 |
| Kotayk | 2.1 (0.7) {0.7 ; 3.5} | 39.5 (2.4) {34.7 ; 44.3} | 2.9 (1.2) {0.2 ; 5.6} | 37.2 (2.7) {31.1 ; 43.4} | 12.2 | 9.8 |
| Shirak | 4.6 (1.3) {2.0 ; 7.2} | 42.4 (2.6) {37.2 ; 47.6} | 3.9 (1.4) {0.6 ; 7.1} | 44.2 (2.2) {39.2 ; 49.2} | 12.8 | 8.7 |
| Syunik | 1.3 (0.4) {0.5 ; 2.1} | 20.3 (3.0) {14.3 ; 26.3} | 1.0 (0.8) {-0.8 ; 2.8} | 24.2 (1.9) {19.8 ; 28.6} | 3.7 | 4.5 |
| Vayotz Dzor | 1.9 (0.9) {0.1 ; 3.7} | 21.1 (3.1) {14.9 ; 27.3} | 0.6 (0.4) {-0.3 ; 1.4} | 18.2 (2.5) {12.5 ; 24.0} | 1.2 | 1.9 |
| Tavush | 1.7 (0.7) {0.3 ; 3.1} | 23.2 (2.6) {18.0 ; 28.4} | 2.7 (1.1) {1.2 ; 5.1} | 30.6 (2.1) {25.7 ; 35.4} | 4.6 | 4.5 |
| Total | 1.6 (0.2) {1.2 ; 2.0} | 27.6 (0.8) {26.0 ; 29.2} | 2.3 (0.2) {1.7 ; 2.8} | 30.0 (0.9) {27.9 ; 32.0} | 100 | 100 |

Source: ILCS 2008 and 2014

Table A3.4 – Armenia: Poverty Rate, by Consumption and Income Indicators, 2014

(percent)

| | Consumption non-poor | Consumption poor | Total |
|--|----------------------|------------------|------------|
| Extremely poor: Extreme (food) poverty line = AMD 23384 | | | |
| Income non-poor | 89.6 | 1.6 | 91.2 |
| Income poor | 8.1 | 0.7 | 8.8 |
| <i>Total</i> | 97.7 | 2.3 | 100 |
| Poor: Total poverty line = 40264 | | | |
| Income non-poor | 54.5 | 18.4 | 72.9 |
| Income poor | 15.5 | 11.6 | 27.1 |
| <i>Total</i> | 70.0 | 30.0 | 100 |

Source: ILCS 2014

Table A3.5. – Armenia: Poor and Extremely Poor Population, by Both Consumption and Income Indicators, 2008-2014

(percent)

| | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|----------------|------|------|------|------|------|------|------|
| Extremely poor | 0.6 | 1.2 | 1.1 | 1.2 | 0.6 | 0.6 | 0.7 |
| Poor | 14.3 | 16.6 | 17.7 | 16.0 | 14.2 | 14.2 | 11.6 |

Source: ILCS 2008-2014

Table A3.6 – Armenia: Poverty Rate Using Three Methodologies of World Bank, 1996-2014

(percent)

| | 1996 methodology | | 2004 methodology | | 2009 methodology | |
|---------|------------------|----------------|------------------|----------------|------------------|----------------|
| | Poor | Extremely poor | Poor | Extremely poor | Poor | Extremely poor |
| 1996 | 54.7* | 27.7* | ... | ... | ... | ... |
| 1998/99 | 55.1 | 22.9 | 56.1 | 21.0 | ... | ... |
| 2001 | 50.9 | 16.0 | ... | ... | ... | ... |
| 2002 | 49.7 | 13.1 | ... | ... | ... | ... |
| 2003 | 42.9 | 7.4 | ... | ... | ... | ... |
| 2004 | 39.0 | 7.2 | 34.6 | 6.4 | 53.5 | 4.4 |
| 2005 | X | X | 29.8 | 4.6 | 40.1 | 3.3 |
| 2006 | X | X | 26.5 | 4.1 | 30.2 | 2.3 |
| 2007 | X | X | 25.0 | 3.8 | 26.4 | 2.0 |
| 2008 | X | X | 23.5 | 3.1 | 27.6 | 1.6 |
| 2009 | X | X | 28.7 | 5.2 | 34.1 | 3.6 |
| 2010 | X | X | 28.9 | 5.3 | 35.8 | 3.0 |
| 2011 | X | X | 25.4 | 5.2 | 35.0 | 3.7 |
| 2012 | X | X | 21.1 | 3.5 | 32.4 | 2.8 |
| 2013 | X | X | 18.1 | 3.2 | 32.0 | 2.7 |
| 2014 | X | X | 18.1 | 3.3 | 30.0 | 2.3 |

*In 1996, the Integrated Living Conditions Survey was conducted during one month; thereafter, in 1998/1999 and since 2001 it was conducted annually. Data from 1996-2003 surveys are not extended on the master sample.

Table A3.7 – Armenia: Decomposition of Poverty Rate Changes into Consumption and Redistribution Components over 2008-2014 (Average Values)

| | Total | Urban communities | Yerevan | Other urban communities | Rural communities |
|-----------------------------------|-----------------------|-------------------|---------|-------------------------|-------------------|
| | Extremely poor | | | | |
| Percentage change in poverty rate | 0.64 | 0.55 | 0.90 | 0.15 | 0.82 |
| Consumption component | -6.01 | -7.30 | -6.93 | -7.52 | -4.18 |
| Redistribution component | 6.65 | 7.85 | 7.83 | 7.67 | 5.00 |
| | Poor | | | | |
| Percentage change in poverty rate | 2.39 | 2.39 | 5.08 | -0.76 | 2.41 |
| Consumption component | -26.19 | -27.34 | -26.12 | -28.19 | -22.72 |
| Redistribution component | 28.58 | 29.73 | 31.20 | 27.44 | 25.13 |

Source: ILCS 2008-2014

Note: A change in poverty over 2008-2014 can be explained by a change in mean consumption and a change in consumption distribution. The decomposition of change in poverty into a growth and a distributional component (Datt and Ravallion, 1992) allows explaining what would be the impact of the growth (decline) in consumption on poverty, keeping inequality constant and vice versa. The 2.39 percentage point increase in overall poverty in Armenia was decomposed into both the growth and redistribution components. Thus, the 26.19 percentage point decline in poverty due to the growth of mean consumption, and the 28.58 percentage point increase in poverty due to increased inequality jointly resulted in an increased poverty rate.

Looking across regions, the increase in total poverty rate in rural communities by 2.41 percentage points reflected the growth of mean consumption, which resulted in a 22.72 percentage point decrease of the poverty rate, and the increase of consumption inequality, which resulted in a 25.13 percentage point increase of the poverty rate.

Table A3.8 – Armenia: Determinants of Consumption, 2008 and 2014
Dependent variable: ln (Consumption per Adult Equivalent)

| | 2008 full specification | | 2014 full specification | |
|---|-------------------------|------------|-------------------------|------------|
| Characteristics of household | | | | |
| 0-5 age group | -0.026 | (0.010)** | 0.013 | (0.011) |
| 6-14 age group | 0.014 | (0.008)* | -0.014 | (0.017) |
| 15-18 age group | -0.052 | (0.013)*** | 0.036 | (0.014)** |
| 19-25 age group | 0.011 | -0.009 | -0.005 | (0.011) |
| 26-45 age group | 0.022 | (0.008)** | -0.007 | (0.004) |
| 46-60 age group | | base | | base |
| 61+ age group | -0.023 | (0.012)* | -0.012 | (0.007) |
| Ln (household size) | -0.213 | (0.022)*** | -0.244 | (0.025)*** |
| Characteristics of household head | | | | |
| Age | -0.007 | (0.003)* | 0.002 | (0.002) |
| (Age) ² | 0 | (0.000)** | 0 | (0.000)* |
| Female | -0.06 | (0.010)*** | -0.055 | (0.019)** |
| Disabled | -0.027 | -0.037 | -0.029 | (0.029) |
| Elementary or primary, incomplete secondary education | | base | | base |
| General secondary education | 0.076 | (0.013)*** | 0.031 | (0.034) |
| Specialized secondary education | 0.261 | (0.097)** | 0.04 | (0.042) |
| Tertiary education | 0.237 | (0.013)*** | 0.247 | (0.044)*** |
| Wage-employed | | base | | base |
| Self-employed | 0.053 | (0.027)* | 0.022 | (0.029) |
| Other employment | 0.044 | -0.064 | 0.114 | (0.049)** |
| Unemployed | -0.014 | -0.021 | -0.038 | (0.038) |
| Pensioner | 0.048 | -0.036 | 0.042 | (0.027) |
| Other on-participant of labor market | 0.019 | -0.071 | 0.069 | (0.172) |
| Other characteristics of household | | | | |
| Migrant members | 0.074 | (0.018)*** | 0.146 | (0.018)*** |
| Migrant members returned from abroad | 0.079 | (0.025)*** | -0.022 | (0.092) |
| Migrant members returned from other places in Armenia | 0 | 0 | 0.002 | (0.068) |
| Share of wage-employed members | | base | | base |
| Share of self-employed members | -0.023 | -0.024 | -0.051 | (0.03) |
| Share of otherwise employed members | -0.049 | -0.076 | -0.034 | (0.094) |
| Share of unemployed members | -0.244 | (0.023)*** | -0.248 | (0.020)*** |
| Share of pensioner members | -0.283 | (0.062)*** | -0.322 | (0.049)*** |
| Share of other non-participant members | 0.094 | (0.033)** | -0.133 | (0.051)** |
| Yerevan | | base | | base |
| Aragatsotn | -0.075 | (0.020)*** | -0.177 | (0.028)*** |
| Ararat | -0.148 | (0.011)*** | -0.115 | (0.023)*** |
| Armavir | -0.043 | (0.015)** | -0.182 | (0.025)*** |
| Gegharkunik | -0.16 | (0.016)*** | -0.178 | (0.026)*** |
| Lori | -0.165 | (0.011)*** | -0.187 | (0.010)*** |
| Kotayk | -0.196 | (0.007)*** | -0.172 | (0.015)*** |
| Shirak | -0.211 | (0.007)*** | -0.3 | (0.013)*** |
| Syunik | -0.022 | (0.010)** | -0.197 | (0.011)*** |
| Vayots Dzor | 0.008 | -0.015 | -0.019 | (0.013)*** |
| Tavush | -0.028 | (0.014)* | -0.299 | (0.021)*** |
| Constant | 11.112 | | 11.504 | (0.091)*** |
| Adjusted R squared | 0.235 | | 0.2379 | |
| Root MSE | 0.3724 | | 0.4181 | |
| Number of observations | 7294 | | 4711 | |

Source: ILCS 2008 and 2014

Note: base – reference category, * indicates 10% significance; ** indicates 5% significance; *** indicates 1% significance.

Table A3.9 – Armenia: Consumption Components, by Quintiles and by Regions, 2008 and 2014
(Average National Prices) (AMD, per Month)

| | Poorest | | 2 | | 3 | | 4 | | 5 | | Total | |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|
| | 2008 | 2014 | 2008 | 2014 | 2008 | 2014 | 2008 | 2014 | 2008 | 2014 | 2008 | 2014 |
| All households | | | | | | | | | | | | |
| Food | 16 056 | 17 221 | 19 096 | 22 460 | 21 703 | 27 822 | 25 238 | 32 392 | 30 461 | 40 137 | 22 512 | 28 006 |
| Alcohol and tobacco | 762 | 845 | 1 234 | 1 530 | 1 537 | 2 088 | 2 050 | 2 419 | 2 733 | 3 717 | 1 663 | 2 120 |
| Clothing and shoes | 254 | 377 | 565 | 835 | 1 061 | 1 378 | 2 061 | 2 692 | 4 427 | 7 608 | 1 674 | 2 578 |
| Utilities and communication | 2 263 | 4 889 | 3 693 | 6 921 | 5 069 | 9 027 | 5 670 | 11 279 | 8 720 | 16 655 | 5 084 | 9 754 |
| Transport | 148 | 592 | 363 | 1 546 | 549 | 2 326 | 875 | 3 282 | 1 099 | 10 611 | 607 | 3 672 |
| Housing goods | 737 | 466 | 1 357 | 709 | 2 281 | 951 | 3 624 | 1 323 | 8 378 | 1 926 | 3 276 | 1 075 |
| Recreation and culture | 0 | 44 | 1 | 122 | 2 | 167 | 13 | 231 | 67 | 5 813 | 17 | 1 276 |
| Education | 144 | 46 | 778 | 81 | 1 315 | 105 | 1 943 | 126 | 4 048 | 1 180 | 1 646 | 308 |
| Healthcare | 12 | 909 | 154 | 1 413 | 259 | 2 084 | 687 | 2 767 | 6 133 | 9 891 | 1 449 | 3 413 |
| Other services | 324 | 545 | 586 | 919 | 983 | 1 300 | 1 472 | 1 967 | 2 839 | 10 619 | 1 232 | 3 071 |
| Rental value of durable goods | 2 149 | 5 760 | 2 904 | 7 088 | 3 512 | 8 506 | 4 128 | 9 486 | 5 876 | 11 867 | 3 710 | 8 541 |
| Average | 22 849 | 31 694 | 30 730 | 43 624 | 38 270 | 55 754 | 47 760 | 67 964 | 74 782 | 120 024 | 42 870 | 63 814 |
| Food consumption in-kind | 2 478 | 2 467 | 2 909 | 3 449 | 3 529 | 4 395 | 4 691 | 4 729 | 4 541 | 5 388 | 3 630 | 4 086 |
| Yerevan | | | | | | | | | | | | |
| Food | 14 847 | 14 770 | 17 411 | 19 602 | 19 810 | 24 408 | 22 448 | 28 499 | 28 426 | 36 968 | 21 670 | 26 420 |
| Alcohol and tobacco | 976 | 976 | 1 469 | 1 587 | 1 725 | 2 279 | 2 483 | 2 646 | 2 747 | 4 226 | 2 018 | 2 580 |
| Clothing and shoes | 144 | 66 | 471 | 688 | 759 | 854 | 1 614 | 1 944 | 4 532 | 9 828 | 1 865 | 3 495 |
| Utilities and communication | 2 872 | 6 245 | 4 197 | 8 685 | 5 974 | 11 255 | 6 183 | 13 668 | 9 676 | 18 453 | 6 327 | 12 535 |
| Transport | 211 | 1 205 | 366 | 2 259 | 549 | 3 125 | 855 | 4 232 | 863 | 15 603 | 622 | 6 476 |
| Housing goods | 730 | 406 | 1 462 | 660 | 2 597 | 801 | 3 895 | 1 070 | 9 088 | 1 695 | 4 245 | 1 022 |
| Recreation and culture | 0 | 34 | 2 | 113 | 4 | 218 | 9 | 237 | 69 | 10 538 | 23 | 3 151 |
| Education | 247 | 16 | 966 | 58 | 1 630 | 161 | 2 482 | 179 | 4 844 | 1 499 | 2 405 | 509 |
| Healthcare | 1 | 1 555 | 173 | 2 128 | 224 | 3 221 | 998 | 3 967 | 4 877 | 12 787 | 1 656 | 5 661 |
| Other services | 733 | 615 | 1 252 | 987 | 1 593 | 1 728 | 2 591 | 2 581 | 4 251 | 17 170 | 2 334 | 6 034 |
| Rental value of durable goods | 2 524 | 5 656 | 3 075 | 6 843 | 3 493 | 8 042 | 4 164 | 8 947 | 6 216 | 11 649 | 4 195 | 8 662 |
| Average | 23 284 | 31 544 | 30 844 | 43 610 | 38 359 | 56 092 | 47 721 | 67 970 | 75 591 | 140 416 | 47 311 | 76 545 |
| Food consumption in-kind | 791 | 1 024 | 573 | 560 | 736 | 1 187 | 1 540 | 1 538 | 2 075 | 2 533 | 1 263 | 1 500 |
| Other urban households | | | | | | | | | | | | |
| Food | 15 654 | 17 459 | 18 871 | 22 595 | 21 914 | 28 939 | 25 275 | 33 499 | 30 302 | 40 805 | 21 318 | 27 737 |
| Alcohol and tobacco | 726 | 632 | 1 208 | 1 404 | 1 413 | 1 747 | 1 729 | 2 048 | 2 598 | 3 378 | 1 408 | 1 735 |
| Clothing and shoes | 273 | 211 | 523 | 644 | 1 170 | 1 360 | 2 210 | 2 080 | 4 395 | 5 310 | 1 420 | 1 721 |
| Utilities and communication | 2 209 | 5 043 | 3 970 | 6 955 | 5 314 | 9 072 | 6 587 | 11 780 | 9 351 | 17 222 | 4 977 | 9 536 |

| | Poorest | | 2 | | 3 | | 4 | | 5 | | Total | |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|---------------|---------------|
| | 2008 | 2014 | 2008 | 2014 | 2008 | 2014 | 2008 | 2014 | 2008 | 2014 | 2008 | 2014 |
| Transport | 148 | 286 | 307 | 838 | 435 | 1 646 | 753 | 2 489 | 1 482 | 6 446 | 534 | 2 100 |
| Housing goods | 774 | 425 | 1 412 | 690 | 2 045 | 1 013 | 3 360 | 1 209 | 8 778 | 1 768 | 2 756 | 968 |
| Recreation and culture | 0 | 65 | 0 | 166 | 3 | 144 | 37 | 260 | 137 | 2 404 | 27 | 518 |
| Education | 145 | 74 | 804 | 128 | 1 275 | 140 | 2 262 | 197 | 4 238 | 1 607 | 1 460 | 370 |
| Healthcare | 11 | 620 | 206 | 1 242 | 276 | 1 714 | 323 | 2 720 | 7 041 | 9 728 | 1 182 | 2 851 |
| Other services | 126 | 556 | 321 | 925 | 584 | 1 167 | 856 | 1 578 | 1 572 | 4 314 | 590 | 1 562 |
| Rental value of durable goods | 2 194 | 6 075 | 2 986 | 7 477 | 3 607 | 8 658 | 4 556 | 9 892 | 6 245 | 13 137 | 3 623 | 8 772 |
| Average | 22 259 | 31 446 | 30 609 | 43 064 | 38 037 | 55 600 | 47 948 | 67 752 | 76 138 | 106 119 | 39 296 | 57 870 |
| Food consumption in-kind | 962 | 712 | 1 052 | 1 241 | 1 392 | 1 714 | 1 503 | 1 933 | 2 529 | 3 211 | 1 382 | 1 664 |
| Rural households | | | | | | | | | | | | |
| Food | 17 454 | 18 611 | 20 476 | 24 608 | 23 439 | 29 533 | 27 668 | 34 597 | 33 849 | 44 837 | 24 378 | 29 651 |
| Alcohol and tobacco | 643 | 965 | 1 097 | 1 591 | 1 451 | 2 209 | 1 873 | 2 534 | 2 815 | 3 169 | 1 547 | 2 037 |
| Clothing and shoes | 313 | 743 | 673 | 1 112 | 1 273 | 1 788 | 2 358 | 3 773 | 4 282 | 5 949 | 1 715 | 2 490 |
| Utilities and communication | 1 870 | 3 846 | 3 070 | 5 496 | 3 946 | 7 309 | 4 636 | 8 986 | 6 699 | 13 143 | 3 982 | 7 460 |
| Transport | 100 | 482 | 418 | 1 575 | 644 | 2 252 | 970 | 3 162 | 1 186 | 5 984 | 657 | 2 508 |
| Housing goods | 699 | 544 | 1 230 | 763 | 2 161 | 1 015 | 3 552 | 1 614 | 6 931 | 2 451 | 2 803 | 1 212 |
| Recreation and culture | 0 | 29 | 0 | 92 | 0 | 145 | 2 | 202 | 11 | 959 | 2 | 247 |
| Education | 65 | 40 | 623 | 59 | 1 029 | 36 | 1 265 | 27 | 2 620 | 266 | 1 080 | 75 |
| Healthcare | 21 | 760 | 87 | 991 | 280 | 1 512 | 647 | 1 853 | 7 463 | 5 199 | 1 486 | 1 886 |
| Other services | 211 | 488 | 353 | 861 | 677 | 1 081 | 857 | 1 790 | 1 532 | 5 301 | 704 | 1 711 |
| Rental value of durable goods | 1 806 | 5 524 | 2 705 | 6 957 | 3 450 | 8 738 | 3 824 | 9 590 | 5 062 | 11 101 | 3 339 | 8 239 |
| Average | 23 184 | 32 032 | 30 732 | 44 105 | 38 351 | 55 618 | 47 652 | 68 128 | 72 451 | 98 359 | 41 691 | 57 516 |
| Food consumption in-kind | 5 574 | 5 113 | 6 364 | 7 584 | 8 161 | 8 913 | 9 488 | 9 485 | 10 029 | 12 103 | 7 898 | 8 453 |

Source: *ILCS 2008 and 2014*

Table A3.10 – Armenia: Sources of Income, by Consumption Quintiles and by Regions, 2014 (at 2014 Current Prices) (AMD, per Month, per Adult Equivalent)

| Sources of income | 1 | 2 | 3 | 4 | 5 | Total |
|--|---------------|---------------|---------------|---------------|----------------|---------------|
| All households | | | | | | |
| Wage-employment | 16 508 | 24 532 | 29 957 | 35 791 | 57 436 | 32 846 |
| Self-employment | 2 400 | 5 035 | 5 769 | 7 907 | 11 745 | 6 571 |
| Farm income | 6 007 | 10 180 | 11 618 | 11 061 | 8 822 | 9 537 |
| Transfers from relatives | 3 149 | 4 470 | 6 602 | 9 245 | 16 060 | 7 906 |
| Social transfers | 11 013 | 10 615 | 10 297 | 9 894 | 10 420 | 10 448 |
| Pensions | 8 694 | 9 442 | 9 054 | 8 871 | 9 585 | 9 129 |
| Other social assistance | 2 319 | 1 173 | 1 244 | 1 023 | 835 | 1 319 |
| Sales of real estate | 0 | 8 | 21 | 4 | 66 | 20 |
| Rental and interest income on property | 18 | 174 | 76 | 164 | 799 | 246 |
| Other income | 2 082 | 1 828 | 2 492 | 2 969 | 4 577 | 2 790 |
| Income in-kind | 1 598 | 2 215 | 2 620 | 2 986 | 3 754 | 2 635 |
| Average | 42 775 | 59 057 | 69 452 | 80 021 | 113 679 | 72 999 |
| Yerevan | | | | | | |
| Wage-employment | 25 345 | 34 060 | 40 909 | 52 449 | 75 563 | 49 379 |
| Self-employment | 2 360 | 8 452 | 6 040 | 8 314 | 15 451 | 9 054 |
| Farm income | 361 | 380 | 372 | 341 | 585 | 428 |
| Transfers from relatives | 2 722 | 4 378 | 6 669 | 6 595 | 16 718 | 8 519 |
| Social transfers | 12 863 | 11 538 | 11 474 | 10 705 | 10 982 | 11 416 |
| Pensions | 11 612 | 10 732 | 10 686 | 9 992 | 10 333 | 10 607 |
| Other social assistance | 1 251 | 806 | 787 | 713 | 649 | 809 |
| Sales of real estate | 0 | 18 | 65 | 0 | 14 | 19 |
| Rental and interest income on property | 3 | 4 | 131 | 175 | 1 428 | 470 |
| Other income | 1 712 | 1 061 | 1 686 | 1 916 | 2 733 | 1 919 |
| Income in-kind | 984 | 566 | 1 078 | 1 423 | 2 582 | 1 467 |
| Average | 46 350 | 60 457 | 68 424 | 81 918 | 126 056 | 82 671 |
| Other urban households | | | | | | |
| Wage-employment | 17 594 | 25 977 | 30 798 | 36 928 | 52 386 | 31 345 |
| Self-employment | 3 290 | 5 448 | 7 609 | 9 705 | 12 858 | 7 398 |
| Farm income | 2 223 | 3 680 | 5 383 | 4 153 | 2 603 | 3 596 |
| Transfers from relatives | 3 882 | 5 355 | 8 426 | 12 212 | 22 357 | 9 698 |
| Social transfers | 10 972 | 10 936 | 10 579 | 10 245 | 10 687 | 10 695 |
| Pensions | 7 941 | 9 424 | 8 821 | 8 973 | 9 539 | 8 879 |
| Other social assistance | 3 031 | 1 512 | 1 758 | 1 272 | 1 148 | 1 816 |
| Sales of real estate | 0 | 0 | 5 | 11 | 0 | 3 |
| Rental and interest income on property | 47 | 480 | 77 | 59 | 521 | 220 |
| Other income | 2 588 | 1 315 | 2 289 | 2 635 | 4 969 | 2 658 |
| Income in-kind | 516 | 914 | 1 088 | 1 595 | 2 613 | 1 261 |
| Average | 41 112 | 54 105 | 66 254 | 77 543 | 108 994 | 66 874 |
| Rural households | | | | | | |
| Wage-employment | 9 590 | 15 851 | 20 828 | 21 821 | 31 888 | 19 376 |
| Self-employment | 1 561 | 2 008 | 4 100 | 6 145 | 4 655 | 3 653 |
| Farm income | 13 427 | 23 252 | 25 251 | 25 008 | 27 845 | 22 721 |
| Transfers from relatives | 2 721 | 3 809 | 5 104 | 8 940 | 9 490 | 5 833 |
| Social transfers | 9 826 | 9 626 | 9 165 | 8 978 | 9 257 | 9 374 |
| Pensions | 7 490 | 8 443 | 7 976 | 7 911 | 8 388 | 8 023 |
| Other social assistance | 2 336 | 1 183 | 1 189 | 1 067 | 869 | 1 351 |
| Sales of real estate | 0 | 7 | 0 | 0 | 211 | 34 |
| Rental and interest income on property | 0 | 53 | 32 | 240 | 0 | 69 |
| Other income | 1 837 | 2 855 | 3 276 | 4 064 | 7 284 | 3 679 |
| Income in-kind | 3 057 | 4 586 | 5 025 | 5 326 | 6 682 | 4 845 |
| Average | 42 019 | 62 047 | 72 781 | 80 522 | 97 312 | 69 584 |

Source: ILCS 2014

Note: Income is defined as total disposable income. Income is measured per adult equivalent.

Annex 3

Table A6.1 – Armenia: Average Monthly Consumption Expenditures per Household Member, 2008 and 2013-2014

(AMD)

| | All households | | | Including | | | | | |
|---|----------------|---------------|---------------|------------------|---------------|---------------|------------------|---------------|---------------|
| | 2008 | 2013 | 2014 | Urban households | | | Rural households | | |
| | | | | 2008 | 2013 | 2014 | 2008 | 2013 | 2014 |
| Consumption expenditures; including: | 28 878 | 36 787 | 40 770 | 30 568 | 38 541 | 44 708 | 25 754 | 33 747 | 33 885 |
| • Food | | | | | | | | | |
| • Non-food products; <i>of which:</i> | 14 984 | 17 622 | 18635 | 15 086 | 17 503 | 18891 | 14 794 | 17 828 | 18188 |
| Clothing, shoes, textiles | 4 730 | 6 568 | 7442 | 5 082 | 6 431 | 7877 | 4 079 | 6 806 | 6681 |
| Furniture and household goods | | | | | | | | | |
| Medicaments, medical supplies | 1 247 | 1 597 | 1878 | 1 243 | 1 355 | 1879 | 1 254 | 2 014 | 1877 |
| Construction materials | 1 122 | 576 | 618 | 1 238 | 488 | 595 | 909 | 729 | 659 |
| Fuel | 536 | 1 467 | 1630 | 635 | 1 745 | 1998 | 354 | 986 | 988 |
| • Alcoholic beverages | 133 | 132 | 197 | 178 | 83 | 255 | 49 | 217 | 97 |
| • Tobacco | 544 | 1 121 | 1269 | 521 | 1 109 | 1216 | 586 | 1 142 | 1362 |
| • Personal services; <i>including:</i> | 227 | 235 | 244 | 218 | 223 | 237 | 243 | 255 | 254 |
| Consumer and utility services; <i>of which:</i> | 1 019 | 1 289 | 1404 | 1 094 | 1 282 | 1470 | 882 | 1 301 | 1290 |
| Floor space fee | 7 918 | 11 073 | 13045 | 9 088 | 13 102 | 16233 | 5 756 | 7 557 | 7472 |
| Utility services; <i>of which:</i> | 2 635 | 4 501 | 5518 | 3 052 | 5 193 | 6609 | 1 865 | 3 301 | 3610 |
| Electricity | 36 | 301 | 471 | 55 | 474 | 738 | 2 | 1 | 6 |
| Natural gas | 2 599 | 4 201 | 5047 | 2 997 | 4 719 | 5872 | 1 863 | 3 301 | 3604 |
| Wood | 1 031 | 1 628 | 2108 | 1 144 | 1 731 | 2325 | 821 | 1 450 | 1730 |
| Consumer services, <i>of which:</i> | 1 254 | 2 105 | 2457 | 1 351 | 2 383 | 2930 | 1 075 | 1 625 | 1629 |
| Shoe repair | 19 | 48 | 46 | 10 | 22 | 47 | 37 | 93 | 45 |
| Cultural services | 46 | 89 | 117 | 52 | 92 | 167 | 36 | 85 | 31 |
| Tuition | 4 | 52 | 4 | 5 | 48 | 7 | 3 | 60 | 1 |
| Medical assistance | 3 | 20 | 8 | 5 | 31 | 12 | 0 | 0 | 0 |
| Health recovery, including recreation | 1 221 | 511 | 214 | 1 457 | 597 | 303 | 783 | 361 | 58 |
| Transportation services | 1 035 | 1 407 | 1035 | 1 029 | 1 825 | 1357 | 1 048 | 682 | 473 |
| Communication services | 20 | 282 | 696 | 30 | 368 | 1051 | 1 | 133 | 76 |
| Legal services | 967 | 1 138 | 1493 | 1 199 | 1 435 | 1935 | 539 | 622 | 720 |

Source: ILCS 2008 and 2013-2014

Table A 6.2. – Armenia: Household per Capita Average Monthly Consumption Expenditures, by Decile Groups, 2004-2014

(AMD)

| 2004 | Total | Decile groups of consumption expenditures | | | | | | | | | |
|---------------------------------|---------------|---|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| Consumption expenditures | 19 251 | 5 740 | 8 535 | 10 436 | 12 289 | 14 154 | 16 288 | 18 950 | 22 638 | 28 763 | 54 713 |
| <i>Including:</i> | | | | | | | | | | | |
| Food* | 10 797 | 4 214 | 6 090 | 7 480 | 8 543 | 9 428 | 10 437 | 11 693 | 13 425 | 15 853 | 20 815 |
| Alcoholic beverages | 163 | 21 | 38 | 63 | 53 | 85 | 120 | 146 | 211 | 275 | 614 |
| Tobacco | 808 | 296 | 399 | 531 | 652 | 732 | 801 | 866 | 1 090 | 1 157 | 1 560 |
| Non-food products | 2 787 | 492 | 872 | 929 | 1 315 | 1 623 | 2 030 | 2 634 | 3 092 | 4 696 | 10 180 |
| Services | 4 696 | 717 | 1136 | 1433 | 1 726 | 2 286 | 2 900 | 3 611 | 4 820 | 6 782 | 21 544 |

| 2005 | Total | Decile groups of consumption expenditures | | | | | | | | | |
|---------------------------------|---------------|---|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| Consumption expenditures | 21 109 | 6 071 | 9 233 | 11 583 | 13 514 | 15 500 | 17 902 | 20 878 | 24 902 | 31 248 | 60 276 |
| <i>Including:</i> | | | | | | | | | | | |
| Food* | 12 035 | 4 448 | 6 598 | 8 348 | 9 322 | 10 417 | 11 846 | 13 124 | 14 937 | 17 803 | 23 518 |
| Alcoholic beverages | 179 | 18 | 32 | 42 | 63 | 82 | 112 | 152 | 182 | 350 | 751 |
| Tobacco | 835 | 261 | 436 | 519 | 624 | 735 | 863 | 1 022 | 1 217 | 1 160 | 1 513 |
| Non-food products | 3 014 | 506 | 828 | 1 005 | 1 403 | 1 711 | 1 892 | 2 555 | 3 134 | 4 525 | 12 588 |
| Services | 5 046 | 838 | 1 339 | 1 669 | 2 102 | 2 555 | 3 189 | 4 025 | 5 432 | 7 410 | 21 906 |

| 2006 | Total | Decile groups of consumption expenditures | | | | | | | | | |
|---------------------------------|---------------|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| Consumption expenditures | 23 276 | 7 321 | 10 878 | 13 239 | 15 249 | 17 561 | 20 117 | 23 319 | 27 457 | 34 187 | 63 377 |
| <i>Including:</i> | | | | | | | | | | | |
| Food* | 13 149 | 5 318 | 7 852 | 9 182 | 10 199 | 11 631 | 12 867 | 14 068 | 15 884 | 18 434 | 26 031 |
| Alcoholic beverages | 210 | 18 | 34 | 62 | 73 | 114 | 131 | 214 | 258 | 356 | 842 |
| Tobacco | 953 | 283 | 463 | 564 | 783 | 839 | 1 013 | 1 125 | 1 326 | 1 373 | 1 759 |
| Non-food products | 3 250 | 515 | 917 | 1 284 | 1 501 | 2 184 | 2 327 | 2 934 | 3 652 | 5 337 | 11 837 |
| Services | 5 714 | 1 187 | 1 612 | 2 147 | 2 693 | 2 793 | 3 779 | 4 978 | 6 337 | 8 687 | 22 908 |

| 2007 | Total | Decile groups of consumption expenditures | | | | | | | | | |
|---------------------------------|---------------|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| Consumption expenditures | 26 297 | 8 065 | 11 841 | 14 424 | 16 876 | 19 554 | 22 533 | 26 077 | 31 446 | 40 137 | 72 006 |
| <i>Including:</i> | | | | | | | | | | | |
| Food* | 14 080 | 5 620 | 8 085 | 9 450 | 10 602 | 12 056 | 13 465 | 15 311 | 17 475 | 19 976 | 28 761 |
| Alcoholic beverages | 236 | 31 | 65 | 77 | 100 | 108 | 146 | 216 | 309 | 441 | 863 |
| Tobacco | 975 | 367 | 447 | 697 | 881 | 891 | 993 | 1 109 | 1 295 | 1 384 | 1 685 |
| Non-food products | 4 113 | 578 | 1 091 | 1 223 | 1 586 | 2 094 | 2 881 | 3 465 | 4 638 | 7 338 | 16 232 |
| Services | 6 893 | 1 469 | 2 152 | 2 976 | 3 708 | 4 406 | 5 049 | 5 975 | 7 729 | 10 999 | 24 465 |

| 2008 | Total | Decile groups of consumption expenditures | | | | | | | | | |
|---------------------------------|---------------|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| Consumption expenditures | 28 878 | 9 132 | 13 434 | 16 316 | 19 398 | 22 536 | 25 824 | 29 585 | 35 254 | 44 165 | 73 124 |
| <i>Including:</i> | | | | | | | | | | | |
| Food* | 14 984 | 6 153 | 8 906 | 10 250 | 11 710 | 12 967 | 14 766 | 16 371 | 18 520 | 20 882 | 29 911 |
| Alcoholic beverages | 227 | 37 | 50 | 64 | 121 | 142 | 138 | 176 | 318 | 370 | 850 |
| Tobacco | 1 019 | 408 | 540 | 721 | 796 | 1 054 | 983 | 1 044 | 1 361 | 1 405 | 1 884 |
| Non-food products | 4 730 | 670 | 1 110 | 1 535 | 2 156 | 2 727 | 3 607 | 4 720 | 5 850 | 8 413 | 16 508 |
| Services | 7 918 | 1 864 | 2 828 | 3 747 | 4 615 | 5 645 | 6 330 | 7 274 | 9 206 | 13 095 | 24 571 |

| 2009 | Total | Decile groups of consumption expenditures | | | | | | | | | |
|---------------------------------|---------------|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| Consumption expenditures | 27 667 | 8 984 | 13 033 | 15 934 | 18 692 | 21 468 | 24 564 | 28 475 | 33 321 | 41 394 | 70 813 |
| <i>Including:</i> | | | | | | | | | | | |
| Food* | 14 145 | 5 715 | 8 220 | 9 730 | 11 139 | 12 504 | 13 525 | 15 586 | 17 145 | 20 347 | 27 541 |
| Alcoholic beverages | 238 | 17 | 42 | 64 | 92 | 119 | 183 | 249 | 296 | 463 | 860 |
| Tobacco | 1 035 | 458 | 542 | 744 | 884 | 1 082 | 1 114 | 1 065 | 1 303 | 1 385 | 1 777 |
| Non-food products | 7 955 | 695 | 1 196 | 1 686 | 2 192 | 2 600 | 3 168 | 4 361 | 5 685 | 7 100 | 14 257 |
| Services | 4 294 | 2 100 | 3 032 | 3 709 | 4 384 | 5 164 | 6 575 | 7 214 | 8 892 | 12 100 | 26 378 |

| 2010 | Total | Decile groups of consumption expenditures | | | | | | | | | |
|---------------------------------|---------------|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| Consumption expenditures | 28 646 | 9 478 | 13 371 | 16 177 | 18 680 | 21 544 | 24 759 | 28 260 | 33 515 | 42 086 | 77 560 |
| <i>Including:</i> | | | | | | | | | | | |
| Food* | 14 844 | 6 124 | 8 495 | 9 962 | 11 338 | 12 753 | 14 197 | 15 611 | 18 382 | 21 942 | 29 672 |
| Alcoholic beverages | 272 | 29 | 44 | 72 | 115 | 135 | 161 | 199 | 308 | 584 | 1 074 |
| Tobacco | 1 009 | 369 | 558 | 694 | 771 | 879 | 1 086 | 1 214 | 1 229 | 1 538 | 1 766 |
| Non-food products | 4 439 | 809 | 1 244 | 1 803 | 2 151 | 2 585 | 3 403 | 4 135 | 5 288 | 7 228 | 15 625 |
| Services | 8 082 | 2 147 | 3 030 | 3 645 | 4 305 | 5 191 | 5 913 | 7 101 | 8 307 | 10 793 | 29 422 |

| 2011 | Total | Decile groups of consumption expenditures | | | | | | | | | |
|---------------------------------|---------------|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| Consumption expenditures | 32 585 | 10 677 | 15 154 | 18 419 | 21 344 | 24 404 | 27 803 | 32 088 | 37 591 | 47 385 | 90 979 |
| <i>Including:</i> | | | | | | | | | | | |
| Food* | 17 184 | 6 716 | 9 530 | 11 373 | 12 935 | 14 302 | 16 590 | 18 630 | 21 150 | 25 115 | 35 486 |
| Alcoholic beverages | 245 | 30 | 62 | 67 | 71 | 95 | 149 | 251 | 286 | 500 | 942 |
| Tobacco | 1 123 | 476 | 689 | 745 | 965 | 1 036 | 995 | 1 311 | 1 351 | 1 629 | 2 031 |
| Non-food products | 5 022 | 873 | 1 386 | 2 000 | 2 520 | 2 936 | 3 761 | 4 435 | 5 677 | 7 364 | 19 163 |
| Services | 9 011 | 2 582 | 3 487 | 4 234 | 4 853 | 6 035 | 6 308 | 7 461 | 9 127 | 12 777 | 33 357 |

| 2012 | Total | Decile groups of consumption expenditures | | | | | | | | | |
|---------------------------------|---------------|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| Consumption expenditures | 34 832 | 11 506 | 16 502 | 19 897 | 23 215 | 26 757 | 30 488 | 35 006 | 41 039 | 51 231 | 93 472 |
| <i>Including:</i> | | | | | | | | | | | |
| Food* | 16 970 | 7 276 | 9 734 | 11 495 | 13 081 | 14 616 | 16 330 | 18 550 | 20 957 | 24 713 | 33 820 |
| Alcoholic beverages | 242 | 33 | 45 | 64 | 80 | 107 | 139 | 212 | 309 | 377 | 1 048 |
| Tobacco | 1 199 | 492 | 670 | 873 | 915 | 1 091 | 1 114 | 1 161 | 1 592 | 1 696 | 2 379 |
| Non-food products | 6 159 | 900 | 1 919 | 2 616 | 3 254 | 4 042 | 5 427 | 5 945 | 7 080 | 9 558 | 20 823 |
| Services | 10 262 | 2 804 | 4 134 | 4 849 | 5 885 | 6 901 | 7 477 | 9 138 | 11 101 | 14 888 | 35 402 |

| 2013 | Total | Decile groups of consumption expenditures | | | | | | | | | |
|---------------------------------|---------------|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| Consumption expenditures | 36 787 | 11 929 | 17 537 | 21 034 | 24 460 | 27 881 | 31 930 | 37 021 | 43 789 | 54 399 | 97 905 |
| <i>Including:</i> | | | | | | | | | | | |
| Food* | 17 622 | 7 395 | 10 400 | 11 961 | 14 044 | 15 263 | 16 794 | 18 959 | 22 143 | 25 280 | 33 975 |
| Alcoholic beverages | 235 | 22 | 57 | 75 | 82 | 108 | 115 | 155 | 339 | 444 | 953 |
| Tobacco | 1 289 | 566 | 777 | 1 032 | 1 071 | 1 140 | 1 456 | 1 614 | 1 463 | 1 686 | 2 088 |
| Non-food products | 6 568 | 1 037 | 2 042 | 2 954 | 3 553 | 4 701 | 5 491 | 6 355 | 8 038 | 11 639 | 19 872 |
| Services | 11 073 | 2 908 | 4 260 | 5 013 | 5 711 | 6 669 | 8 070 | 9 939 | 11 806 | 15 350 | 41 017 |

| 2014 | Total | Decile groups of consumption expenditures | | | | | | | | | |
|---------------------------------|---------------|---|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|----------------|
| | | I | II | III | IV | V | VI | VII | VIII | IX | X |
| Consumption expenditures | 40 770 | 12 779 | 18 706 | 22 634 | 26 313 | 30 385 | 34 667 | 40 210 | 47 235 | 59 040 | 117 784 |
| <i>Including:</i> | | | | | | | | | | | |
| Food* | 18 635 | 7 660 | 10 738 | 12 995 | 14 729 | 16 114 | 17 986 | 20 085 | 22 813 | 27 096 | 36 137 |
| Alcoholic beverages | 244 | 23 | 52 | 82 | 88 | 85 | 174 | 210 | 280 | 429 | 1 012 |
| Tobacco | 1 404 | 441 | 834 | 822 | 1 014 | 1 288 | 1 371 | 1 708 | 1 729 | 1 817 | 3 018 |
| Non-food products | 7 442 | 1 340 | 2 458 | 3 124 | 3 854 | 4 847 | 6 104 | 578 | 9 104 | 11 790 | 24 222 |
| Services | 13 045 | 3 315 | 4 624 | 5 611 | 6 628 | 8 051 | 9 032 | 10 629 | 13 309 | 17 908 | 53 395 |

Source: *ILCS 2004-2014*

* Including consumption cost of own production food

Annex 4

Table A9.1 – Armenia: Number of Pensioners and Amount of Average Pension, by Years and by Types of Pension,2014

| | Number of pensioners (person) | Amount of average pension (AMD) |
|------------------|-------------------------------|---------------------------------|
| Social | 458 569 | 35 995.9 |
| Military service | 4 576 | 17 466.5 |
| Total pensioners | 463 145 | 35 812.8 |

Source: Ministry of Labor and Social Affairs, State Social Security Service

Table A9.2 – Armenia: Probability of Receiving Family Benefit, 2014

| Independent variables | marginal effect | Standard errors |
|--|-----------------|-----------------|
| 0-5 age group | 0.102 | (0.010)*** |
| 6-14 age group | 0.098 | (0.009)*** |
| 15-18 age group | 0.098 | (0.011)*** |
| 19-25 age group | 0.005 | -0.011 |
| 26-45 age group | -0.002 | -0.009 |
| 46-60 age group | հէնք | հէնք |
| 61+ age group | -0.005 | -0.011 |
| Ln (household size) | -0.069 | (0.016)*** |
| Per adult equivalent consumption | -0.051 | (0.015)*** |
| Age of household head | -0.002 | -0.003 |
| (Age of household head) ² | 0 | 0 |
| Female head of household | 0.038 | (0.015)*** |
| Elementary education (household head) | հէնք | հէնք |
| Incomplete secondary education (household head) | -0.011 | -0.022 |
| General secondary education (household head) | -0.013 | -0.023 |
| Specialized secondary education (household head) | -0.018 | -0.022 |
| Tertiary education (household head) | -0.032 | -0.02 |
| Non-participant of labor market (household head) | 0.02 | -0.021 |
| Unemployed (household head) | 0.095 | -0.103 |
| Self-employed (household head) | 0.031 | -0.1 |
| Other employment (household head) | 0.002 | -0.088 |
| Migrant members | 0.012 | -0.044 |
| Migrant members returned from abroad | 0.122 | -0.098 |
| Car ownership | -0.054 | (0.011)*** |
| Temporary lodging | -0.052 | -0.048 |
| Total land used | -0.011 | (0.005)** |
| Share of land owned | 0.024 | -0.038 |
| Share of land irrigated | -0.022 | -0.014 |
| Loan received | -0.025 | (0.015)* |
| Livestock | -0.02 | -0.012 |
| LR chi2(38) | 577 | |
| Prob > chi2 | 0 | |
| Pseudo R2 | 0.2931 | |
| Number of observations | 2499 | |

Source: ILCS 2014

Note: base – reference category, * indicates 10% significance;

** indicates 5% significance;

*** indicates 1% significance

SOCIAL PROTECTION SYSTEM OF THE REPUBLIC OF ARMENIA IN 2014

In 2014, social protection reforms continued; new management information systems were introduced in 19 territorial centers of integrated social services; beginning from the second half of the year, piloting of new Active Labor Market Programs was launched. Works aimed at increasing the efficiency of services provided to pensioners are of a continuous nature. The new legislation laid the foundation for the formation of a new model of employment policy. The three-year reform of the pension system introduced in 2014 showed remarkable results in terms of streamlined pension lists and resulted in saving of billions of drams. New strategic approaches were suggested to reconsider and resolve the problems of disabled persons' benefits and in terms of temporary disability benefits. The Ministry continues to focus on alleviating the load of orphanages, improving the access to and targeting of services, enhancing the efficiency of system management, expanding international cooperation, and updating information databases.

1. Labor Market and Employment

In 2014, reforms in the employment area were furthered. Particularly, the following acts were developed and adopted by the Government.

1. RoA Government Decree No 534-N of April 17, 2014 “On Establishment of a Number of Legal Acts for Enforcement of the Republic of Armenia law “On Employment” (under this decree 20 draft procedures were enacted);

2. RoA Government Decree No 479-N of April 17, 2014 “On Repeal of a Number of Decrees of the Republic of Armenia Government”;

3. RoA Government Decree No 452-N “On Introduction of Addendum to Republic of Armenia Government Decree No 1024-N of July 14, 2011”;

4. RoA Government Decree No 578-N of May 29, 2014 “On Introduction of Addenda and amendments to Republic of Armenia Government Decrees No 1821-N and No 1823-N of November 14, 2014”;

5. RoA Government Decree No 1308-N of November 19, 2014 “On Approval of Procedure on Withdrawals Made by a Company in Case of Quota Default and their Use”;

6. RoA Government Decree No 294-N of March 6, 2014 “On Establishment of Monthly Stipend for the Unemployed Persons Enrolled in Professional Training Courses”;

7. RoA Government Protocol Decision No 40 of September 25, 2014 “On Approval of the 2015 State Program on Employment regulation public programs and Plan of Actions”;

8. RoA Minister of Labor and Social Affairs Order No 74-N of June 18, 2014 and RoA Minister of Agriculture Order No 151-N of June 23, 2014 (Joint Order) “Quotas of Works on Cultivation of Crops

Necessary for Organization and Implementation of Public Employment Regulation Program of Support to Farmers through Promotion of Seasonal Employment”;

9. RoA Minister of Labor and Social Affairs Order No 122-N of November 5, 2014 and RoA Minister of Agriculture Order No 234-N of November 17, 2014 (Joint Order) “On Introduction of Amendment to RoA Minister of Labor and Social Affairs Order No 74-N of June 18, 2014 and RoA Minister of Agriculture Order No 151-N of June 23, 2014 (Joint Order)”;

10. RoA Minister of Labor and Social Affairs Order No 79-N of June 30, 2014 “On Enforcement of Republic of Armenia Government decree No 534-N of April 17, 2014 and Repeal of Several Orders of Republic of Armenia Minister of Labor and Social Affairs”;

11. RoA Minister of Labor and Social Affairs Order No 82-A/1 of July 3, 2014 “On Enforcement of Republic of Armenia Government decree No 534-N of April 17, 2014 and Repeal of Several Orders of Republic of Armenia Minister of Labor and Social Affairs”;

12. Cooperation Contract NoHP-1 of July 11, 2014 “On Joint Organization and Implementation of Employment regulation public programs for Supporting Small Entrepreneurship”;

13. RoA Minister of Labor and Social Affairs Order No 86-A/1 of July 16, 2014 “On Allocation by Regions of Financing Provided under Program on Support to Farmers through Promotion of Seasonal Employment”;

Pursuant to the RoA law “**On Employment**” (hereinafter, Law), a new model of employment policy was introduced in conformity with the main principles and approaches of the government in the area of employment policy. The new model can be described as “proactive” policy model, based on the fundamental principle “assist and then require”. The annual employment regulation public program planned under the new model is specific in terms of adequate planning and implementation flexibility in line with the existing situation in labor market, whereby sustainable employment of the beneficiaries is stipulated as the main goal of the employment regulation public programs.

Within the framework of public-private partnership, the law respectively establishes and regulates relations between public employment agencies and work placement NGOs and principles of delivery of services by them; possibilities of outsourcing labor market programs to work placement NGOs based on the RoA law “On Procurements”; and activities of the NGOs within the framework of the outsourced programs.

Within the framework of the new model of public employment regulation public programs strong emphasis is put on identification of the status of persons facing additional difficulties for integration in labor market and persons with certain restrictions (persons Not Competitive in labor market) and ensuring their sustainable employment on a priority basis. In this respect, it is noteworthy that the law is differentiating the principles of identification of non-competitiveness in labor market. The law also introduced a mandatory provision on creation of job places for people with disabilities (quotas), which from January 1, 2015 and from January 1, 2016, private entities as well.

Public regulation of employment of the population is carried out in accordance with the national employment programs, which are:

- “Partial Reimbursement of Salary Paid By Employer for Enrollment of Persons Not Competitive in Labor Market and Reimbursement of Salary to Person Accompanying a Disabled Person”;
- “Organization of Professional Training of Unemployed and Job Seekers Facing Risk of Dismissal”;
- “Provision of Assistance for Placement of Unemployed for Job in Different Work Place”;
- “Provision of Assistance to Unemployed for Acquisition of Professional Experience on the Trained Profession”;
- “Organization of Labor Markets”;
- “Provision of Lump-Sum Compensation to Employer for Enrollment of Persons Not Competitive in Labor Market”;
- “Provision of Assistance to Persons Not Competitive in Labor Market for Small Entrepreneurship”;
- “Provision of Assistance to Farmers for Promotion of Seasonal Employment”;
- “Provision of Assistance for Using Services of Work Placement NGOs”;
- “Reimbursement of Costs on Visiting Employers for Enrollment of Persons Not Competitive in Labor Market”.

As a result of implementation of the plan of actions of 2014 employment regulation public program, the following situation was observed:

As of December 31, 2014, consultations in the State Employment Agency of the Republic of Armenia Ministry of Labor and Social Affairs (SEA) were provided to 225.1 thousand people, of which 72.6 registered as seeking for job (including 51.2 thousand female and 16.9 male), which is by 12,2% more than in 2013 (64.7 thousand). Among those seeking for job the unemployed make 91.4 % or 65.9 thousand, which is more than in previous year by 17.9%- (55.9 thousand). The share of unemployed women continues to remain high, totaling 71.8 % of all unemployed, or 47.3 thousand persons. The share of young unemployed equals to 23.7% or 15.6 thousand persons, that of the disabled 3.2% or 2.1 thousand. For the first time, the share of unemployed within total job seekers is 42.8% (28.2 thousand), of which the young unemployed 12.6 thousand or 44.7%.

The number of persons with university and post-graduate education totals 14.3%, those with vocational education 20.4%, preliminary vocational (craftsmanship) 6.2%, general secondary education 50.3 %, and special secondary education, basic general and elementary education 8.8 %.

Among persons with professional education the share of engineers (different specialties), pedagogues, nurses, technicians (different specialties), financial specialists, economists and some other specialties is high.

In terms of age groups, the share of 16-29 old is 23.7%, 30-44 old 38.9%, 45-54 old 21.4%, and persons older than 55 make 16.0%:

The share of persons Not Competitive in labor market among the unemployed is equal to 83.3% or 55.2 thousand persons.

The annual employment regulation public program attracted 10,406 persons or 14.3% percent of total job seekers. Active labor market programs attracted 7,296 job seekers (10.1%- of total job seekers) against the planned 7,121. As of December 31, 2014, 15.8% percent of them or 11,495 persons were placed to job. Among them 28.9% are young people, which equals to 18.6% of the total registered young people, against the planned 18.0%; 2.8% are disabled, which is equal to 14.2% of total registered disabled.

Within persons “Not Competitive in labor market” 63.3% were placed to job.

From the beginning of the year, the number of persons eligible for the unemployment benefit totaled 3,336 monthly.

As a result of the implemented measures, the State Employment Agency of the Ministry cooperated with around 22,000 employers, of which 7,265 provided 22,101 vacancies.

Professions, which are the most wanted in the labor market include professionals with tertiary education in the areas of health (in regions), economists, computer programmers, engineers, accountants, lecturers, teachers, managers, agents (different areas); among vocational professions nurses, designers, sellers, waiters, cooks, bakers, hair cutters, equipment and computer operators, and among preliminary vocational car repair specialists, electricians, bricklayers, tailors, drivers, shoemakers, crane drivers, metalworkers, lathe operators, carpenters metal molders and other laborers.

The number of unemployed persons who became beneficiaries of the program “Partial Reimbursement of Salary Paid By Employer for Enrollment of Persons Not Competitive in Labor Market and Reimbursement of Salary to Person Accompanying a Disabled Person” in average totaled 235 monthly.

The number of unemployed persons who became beneficiaries of the program “Organization of Professional Training of Unemployed and Job Seekers Facing Risk of Dismissal” totaled 1,591, including 121 disabled.

Given labor market demand, during 2014 professional training programs were organized for 72 professions, including, inter alia, those for accountants, managers, agents (different areas), treasurers, designers (different areas), services sector, processing industry, machine operators, civil engineering, new information technologies, metal workers (different areas), etc.

Under the program “Provision of Assistance for Placement of Unemployed for job in Different Work Place” 37 persons were seconded to a different work place, including doctors (subspecialties), pedagogues (different areas), cheese makers, lathe operators, confectioners, waiters, cooks, make-up artists, mangers, mechanics and car mechanics.

The program “Provision of Assistance to Unemployed for Acquisition of Professional Experience on the Trained Profession” is implemented for the young unemployed. Its beneficiaries are 349 young unemployed.

Within the framework of the program “Organization of Labor Markets” 11 labor markets were organized in Yerevan, Abovian, Spitak, Gyumry, Ashtarak, Gavar, Armavir, Noyemberyan, Dilijan, Masis and Kapan, involving 339 employers and 7,466 job seekers. The employers have offered 1272 existing and 449 planned vacancies. Due to the program 473 persons were enrolled.

Program “Provision of Lump-Sum Compensation to Employer for Enrollment of Persons Not Competitive in Labor Market” included 350 beneficiaries, including 30 disabled persons for whom work places were adjusted.

Within the framework of program “Provision of Assistance to Persons Not Competitive in Labor Market for Small Entrepreneurship” 123 projects were proposed from 38 employment centers and, subsequently, 73 beneficiaries were enrolled and 57 received financing. Under the program, projects in the services sector, processing industry, tourism and health sectors were financed.

Within the framework of program “Provision of Assistance to Farmers for Promotion of Seasonal Employment” 2,583 contracts were signed in 274 communities of 10 regions. Beneficiaries of the program totaled 3,679, including 257 disabled.

Within the framework of program “Provision of Assistance for Using Services of Work Placement NGOs” 4 memorandums were signed. Subsequently, 2 uncompetitive persons were enrolled by employers.

1,000 beneficiaries were attracted by the program “Reimbursement of Costs on Visiting Employers for Enrollment of Persons Not Competitive in Labor Market”.

International cooperation

In 2014, within the framework of international programs, the Agency cooperated with the following organizations:

USAID (United States Agency for International Development), ILO (International Labor Organization), UN (United Nations Organization), IOM (International Organization for Migration), DVV-International (German Adult Education Association), GIZ (German International Cooperation Agency), InWent (People in Need), OFII (French Immigration and Integration Office in Armenia, Targeted Initiative for Armenia, NGO Hope and Help, NGO UMCOR, ETF (European Training Foundation).

Public Awareness

With the view to increasing public awareness about public programs on regulation of employment, public awareness programs were implemented; press conferences were organized where current activities of the Agency, consolidated annual performance outcomes and international cooperation activities were presented. Monitoring of press was carried out; meetings were arranged with the representatives of media during which explanations and interviews were provided concerning

the situation in labor market, implemented programs and the existing problems in the employment sector. Furthermore, round tables were organized with the representatives of the stakeholders.

2. Pension Security

A number of legal acts regulating the sphere of pension security were developed in 2014, including:

- 1) Republic of Armenia Law on Amendments to the Republic of Armenia Law on State Pensions (HO-77-N of June 21, 2014);
- 2) Republic of Armenia Law on Amendments and Additions to the Republic of Armenia Law on Temporary Disability Benefits (HO-206-N of December 1, 2014);
- 3) Republic of Armenia Law No 207-N of December 1, 2014 “On Amendments and Addenda to the Republic of Armenia Law “On Public Benefits”;
- 4) Republic of Armenia Law No 208-N of December 1, 2014 “On Amendments and Addenda to the Republic of Armenia Law “On Income Tax”;
- 5) Republic of Armenia Law on Amendments to the Republic of Armenia Labor Code (HO-209-N of December 11, 2014);
- 6) Republic of Armenia Law No 210-N of December 1, 2014 “On Amendments and Addenda to the Republic of Armenia Law “On Public Pensions”;
- 7) Republic of Armenia Law No 211-N of December 1, 2014 “On Amendment to the Republic of Armenia Law “On Personalized Accounting of Income Tax and Social Contributions”;
- 8) Republic of Armenia Law No 197-N of December 1, 2014 “On Amendments and Addenda to the Republic of Armenia Law “On Public Pensions”;
- 9) Republic of Armenia Law No 198-N of December 1, 2014 “On Social Guarantees of Public Officials”;
- 10) Republic of Armenia Law on Amendments to the Republic of Armenia Law on Social Security of Military Servicemen and Their Family Members (HO-199-N of December 11, 2014);
- 11) Draft law “On Amendments to the Republic of Armenia Law “On Investigation Committee of the Republic of Armenia” (in circulation).
- 12) Draft law “On Amendments and Addenda to the Republic of Armenia Law “On Public Pensions” (submitted to the National Assembly by National Center for Regulation of Legislation).

Government decrees

1. Government Decree No 46-N of January 23, 2014 “On Amendments and Supplements to Republic of Armenia Government Decree No 665-N of May 5, 2011”;

2. Government Decree No 490-N of May 8, 2014 “On Amendments and Supplements to Republic of Armenia Government Decree No 665-N of May 5, 2011”;

3. Government Decree No 91-N of February 6, 2014 “On Amendments and Supplements to Republic of Armenia Government Decree No 1676-N of December 20, 2012”;
4. Government decree No 275-N of 06.03.2014 “On Defining the Size of Lump-Sum Allowance for Childbirth, Establishing the Procedures for Appointing and Paying Lump-Sum Allowance for Childbirth”;
5. Government Decree No 302-N of March 6, 2014 “On Establishment of Procedure for Appointing and Paying Monthly Allowance to Families of Persons Deceased During Defense of the Republic of Armenia or Performance of Official Duties, Awarded with Posthumous Title of National Hero of Republic of Armenia or Battle Cross Order”; :
6. Government Decree No 555-N of May 29, 2014 “On Amendments to Republic of Armenia Government Decree No 670-N of May 5, 2011”;
7. Government Decree No 452-N of April 17, 2014 “On Amendments to Republic of Armenia Government Decree No 1024-N of July 14, 2011”;
8. Government Decree No 482-N of May 8, 2014 “On Amendments to Republic of Armenia Government Decree No 1024-N of July 5, 2011”;
9. Government Decree No 635-N of June 6, 2014 “On Approval of Procedure and List of Documents for the Award and payment of Old Age Benefit, Disability Benefit or Survivor’s Benefit or Funeral Allowance in the Event of Death of Beneficiary of Old Age Benefit, Disability Benefit or Survivor’s Benefit”;
10. Government Decree No 678-N of July 10, 2014 “On Amendments to Republic of Armenia Government Decree No 12-N of January 12, 2012”;
11. Government Decree No 674-N of July 10, 2014 “On Approval of the Lists 3 and 4 of Jobs Providing Eligibility for Privileged Pensions”;
12. Government Decree No 786-N of July 17, 2014 “On Amendments and Supplements to Republic of Armenia Government Decree No 668-N of May 5, 2011”;
13. Government Decree No 718-N of July 17, 2014 “On Amendments and Supplements to Republic of Armenia Government Decree No 1734-N of December 30, 2010”;
14. Government Decree No 815-N of July 17, 2014 “On Calculation of Military Pensions Set before July 1, 2014”;
15. Government Decree No 716-N of July 17, 2014 “On Amendments and Supplements to Republic of Armenia Government Decree No 665-N of May 5, 2011”;
16. Government Decree No 895-N of August 28, 2014 “On Measures to Enforce Republic of Armenia Law “On Social Guarantees of Persons Holding Public Office”;
17. Government Decree No 890-N of August 28, 2014 “On Repeal of Several Decrees of the Republic of Armenia Government”;
18. Government Decree No 802-N of August 7, 2014 “On Repeal of the Republic of Armenia Government Decree No 938-N of May 12, 2005”;

19. Government Decree No 806-N of August 7, 2014 “On Amendments and Supplements to Republic of Armenia Government Decree No 1274-N of September 16, 2010”;

20. Government Decree No 1335-N of November 27, 2014 “On Repeal of Republic of Armenia Government Decree No 1841-N of December 16, 2004 “On Establishment of Procedure and Size of Monthly Allowance for Award of the Title “Republic of Armenian “People’s””;

21. Government Decree No 1319-N of November 19, 2014 “On Amendment to Republic of Armenia Government Decree No 895-N of August 28, 2014”;

22. Government Decree No 1499-N of December 25, 2014 “On Amendments to Republic of Armenia Government Decree No 1489-N of December 26, 2013”;

23. Draft Government Decree “On Amendment and Supplement to Republic of Armenia Government Decree No 665-N of May 5, 2011” (in circulation);

24. Government Decree No 1491-N of December 25, 2014 “On Amendments and Supplements to Republic of Armenia Government Decree No 1734-N of December 30, 2010”.

In 2014, the following measures were implemented for the improvement of pension system:

Within the framework of measures of the program on reduction of poverty among pensioners specified in the government plan of actions, the new procedure (formula) for calculation of the labor pensions was introduced from January 1, 2014; the size of basic pension and the value of 1 year of professional experience were raised. This allowed for higher increase of pensions for persons receiving low labor pensions as compared to those who received bigger pensions.

In order to calculate the size of labor pension, within the framework of measures, beginning from January 1, 2015, the size of basic pension was raised to AMD 16,000 and the value of 1 year of professional experience to AMD 800 for the first year and AMD 500 for each year above 10 year threshold. Subsequently, compared with AMD 36,000 in 2014, the average pension size in 2015 will grow to around AMD 41,000. Within the context of introduction of new system of remuneration of public officials, terms and conditions of social guarantees were streamlined and the procedure on calculation of their pensions (including pensions of servicemen) was revised. As a result, the average pensions of military servicemen grew by 15 percent.

The increase of military pensions resulting from the increase of the basic pension component (from AMD 14,000 to AMD 16,000) in calculation of the total pension and the value of 1 year of service (from AMD 1,300 to AMD 1,500) will enter into force from July 1, 2015.

In order to raise certain categories of pensions (those of servicemen and their family members) and improve the level of their social protection, beginning from August 1, 2014, the military allowance was increased by AMD 5,000, as a result of which the amounts of allowances provided to members of families of the veterans of World War 2 and Artsakh Liberation War will grow by 40-50 percent.

Pursuant to amendment in the law “On Social Guarantees of Servicemen”, from January 1, 2015, in the event of the loss of beneficiary of one of the 2 pensions established for the veterans of World War 2 and Artsakh Liberation War (survival’s military and labor pension or social benefit) will be replaced by

premium. At the same time, the premium eligibility terms for family members of a diseased serviceman were revised and beginning from January 1, 2015 the eligibility is awarded irrespective of their employment.

Works aimed at improving the efficiency of the delivery of social services to pensioners were rolled-out. In June 2013 “Electronic Pension System” was introduced, which became fully operational from 2014. This resulted insignificant improvements of the quality of pension payment, reduction of corruption risks and higher targeting of pensions. In order to ensure equitable application of law and improve targeting of social allocations from the state budget, procedures on improving feedback with other information systems are currently modified.

In 2014, funded pension component, the design of which lasted for about one decade, was finally launched. The law “On Funded Pensions”, which took effect in July 1, 2014, settled the issues which according to the resolution of Constitutional Court CCR-1142 of April 2, 2014 were recognized as inconsistent with the Constitution and invalidated.

3. Social Assistance

System of Public Benefits (Monetary Allowance)

In 2014, public benefits are assigned and allocated in accordance with provisions of the Law on Public Benefits (HO-154-N) as a separate form of social service defined by Article 8 of the Law on Social Assistance (HO-231-N). The Government establishes the procedures and peculiarities of assignment and payment, as well as the size of the benefit.

Territorial social service units (hereinafter: TSSU), which are separated divisions of public governance or local self-governance bodies (hereinafter territorial body) are responsible for the assignment and payment of family means-tested benefits, (including family benefit, social benefit, urgent assistance) childcare allowance.

The system of public benefits as an instrument for elimination of extreme poverty needs revamping in order to support dealing with alleviation of total poverty and forming sustainable families. Social policies are to be directed to preventing migration from border and highly mountainous regions, increasing social activity of their population, which would result in reduction of social indifference.

Family Means-Tested Benefits

The purpose of the socially important means-tested benefits (replacing family benefits) program is to assist poor families.

The issue of better targeting of means-tested benefits program has always been viewed as a major challenge of social assistance sector, and relevant measures in this area were mainly carried out in 4 directions: (i) revision of the procedures for assessment of family vulnerability based on ILCS results; (ii) improved administration; (iii) training of the staff of territorial bodies; and (iv) public outreach. Reforms implemented in the system of family benefits were implemented on accordance with the directions established in PRSP and SDP, as well as data from the annual Integrated Living Conditions Surveys conducted by the NSS.

Eligibility for family or social benefit is determined by the family vulnerability score, which is calculated in accordance with the procedure for family vulnerability test as approved by the Government's Decree No 145-N of January 30 2014. According to that procedure, a number of indirect indicators are used for testing family (household) vulnerability, including the social group of each household member, the number of household members incapable to work, the place of residence, dwelling conditions, average monthly income of the household etc.

Each indicator has its numerical value, and the family's vulnerability score is determined by the product of such values. The higher is this score, the more vulnerable is the family.

The indicator of gross average monthly income comprises accrued and payable remuneration and other similar income of household members for paid work, pensions, unemployment benefits, childcare allowances for children under 2 years of age, disability, survivors benefits, monthly premiums for servicemen and their family members established by Article 34.1 of the Republic of Armenia law "On Social Security of Servicemen and their family Members ", as well as the income from livestock breeding and land cultivation.

The score for eligibility to family benefit is established at "30.00" since January 1, 2008, thus lowering it from its previous level at "33.00". This score remained unchanged in 2014, as well.

As in the previous years, in 2014 the main priority of the Government's policy **in the area of public benefits**, was enhanced targeting of the family benefit. To that end, changes in the family benefit system were realized in two directions – revision of the procedures for assessment of family vulnerability and improved administration.

The major changes were introduced in 2012 in the formula for calculation of the average monthly income of family and income coefficient. Beginning from January 2012, the total monthly average income of a family includes also monthly military allowances to servicemen and their family members, allowances for care after up to 2 year old children, as well as premiums to families of diseased servicemen awarded with the title of national Hero of Armenia or Battle Cross Order.

Pursuant to a Government's Decree, the impact of the income coefficient in the family vulnerability calculation formula has been **mitigated**, resulting in neutralization of the impact of the average monthly "increased income". Due to these modifications, low income families, and especially those having children, also become eligible for family benefit.

This reflects inflation and growth of poverty observed in the previous years. At the same time, this measure is aimed at reduction of corruption. Given the fact that in previous years such facts as concealing the working in the system or understating the received salaries were identified by cross-checking of different databases by the Ministry, this step allows for inclusion of low income families in the system without resorting to illegal roads.

The positive impact of the modifications aimed at improving procedures for assignment and payment of public benefits is demonstrated firstly by the circumstance that more data related to eligibility for

public benefits are admitted on basis of applicants' declaration, with further on-line check of reliability of such data.

In particular, it is worth to mention that in 2014 online data were available from territorial divisions of the State Register of Population of the Police (regarding the domicile or composition of family) and from the State Cadaster of Real Estate (regarding the size, type and cadastral net income of the land owned by households). The mentioned two types of data are directly used by TSSUs by way of responses to their online inquiries.

Online data are also received from the Ministry of Transport and Communication, the Traffic Police, the Civil Registry Office and the Company Registry Agency of the Ministry of Justice on monthly basis, through "Nork Informational and Analytical Center" CJSC, which provides for centralized matching of various databases and furnishes the output to TSSUs to work with the families, examine their social-economic conditions, and make proposals on their eligibility to family benefit.

Modifications in the family benefit program over the last years had certain impact on the number of eligible households registered in the family benefit system, including that on the number of such eligible households having children. The dynamics of modifications is presented below.

Table 1: Family Benefit Program in Armenia, 2010-2014

| | 2010 | 2011 | 2012 | 2013 | 2014 |
|---|--------|--------|--------|--------|--------|
| Registered families (percent of the total number of families in Armenia) | 17.11 | 14.91 | 15.9 | 16.5 | 17.2 |
| Beneficiary families (percent of the total number of registered families) | 78.77 | 78.94 | 77.69 | 79.78 | 77.71 |
| Beneficiary families (percent of the total number of families in Armenia) | 13.50 | 11.77 | 12.36 | 13.16 | 13.37 |
| Families with children (percent of the total number of beneficiary families) | 78.28 | 78.07 | 80.69 | 76.97 | 76.27 |
| Funds allocated from the state budget of Armenia (AMD billion) | 31.022 | 35.497 | 37.105 | 37.105 | 37.105 |
| Number of beneficiary families | 105005 | 91575 | 96309 | 102570 | 104130 |
| Average amount of benefit (AMD) | 26850 | 26850 | 29350 | 29350 | 30350 |

During 2014, further efforts were made towards increasing allocation to the poorest families, particularly to the ones with many children, while paying special attention to the families living in highly mountainous or border areas.

The size of family benefit is determined by adding to the base benefit component an increment for each family member below 18 years of age (child), whereby the size of the increment is dependent on the vulnerability score of the family, its place of residence, and the number of children in the family. In 2014, the size of family benefit was set as AMD 16,000, which together with the base part of the family benefit and the amount of urgent assistance was increased by AMD 1,000 from August 1, 2014.

The increment is assigned for the three defined ranges of the vulnerability score, particularly those ranging between: (i) 30.01-35.00; (ii) 35.01-39.00; and (iii) 39.01 and higher. The difference of increments for each range equals AMD 500, and the higher is the vulnerability score, the larger is the increment.

Within the defined ranges of the vulnerability score, the size of increment also varies. Particularly, the increment for children of families living in highly mountainous and border areas is AMD 500 more than the increment determined for that range, and if there are 4 or more children in the family, the increment per child is another AMD 1.000 more.

The Law on Public Benefits establishes specific criteria for the assignment of lump-sum urgent allowance within the system of means-tested family benefits, such as the birth of a child in a family eligible for family or social benefit, the child's school enrollment, and the funeral of a deceased family member (if the family does not have pensioner and is not eligible for old age, disability, or survivor's benefit).

With regard to families eligible for family benefit, the size of the lump-sum urgent allowance for childbirth was set as AMD 50 thousand, for child's school enrollment AMD 25 thousand, and for funeral of a family member AMD 50 thousand. In 2014, the following payments of lump-sum allowance were made to families eligible for family benefit: for childbirth – 4934 cases, for child's school enrollment – 10,234 cases, and for funeral of a deceased family member – 164 cases.

TSSUs may, in coordination with the social assistance council, allocate urgent quarterly aid to families experiencing hardships, which are registered in the system, but are not eligible for family benefit. The decision on allocation or rejection of urgent aid is taken at quarterly reviews. The size of such aid is equal to the size of the basic benefit. Some 8698 families received urgent aid in 2014.

Childcare Allowance for Children under 2 Years of Age

According to Law on Public Benefits, parents on leave in care of children under 3 years of age in accordance with the Labor Code of Armenia are eligible for childcare allowance until the child reaches 2 years of age. For a number of years, the size of this type of allowance was very small at AMD 3.000, but in 2009 it was raised by six times equaling AMD 18.000. Such increase in the size of the allowance is one of the main reasons for the substantial growth of the number of beneficiaries.

Table 3: Beneficiaries of Childcare Allowance for Children under 2 Years of Age and Total Public Spending, 2011-2014

| | 2011 | | 2012 | | 2013 | | 2014 | |
|--------------|---|-------------------------|---|-------------------------|---|-------------------------|---|-------------------------|
| | Average monthly number of beneficiaries | Amount (in AMD billion) | Average monthly number of beneficiaries | Amount (in AMD billion) | Average monthly number of beneficiaries | Amount (in AMD billion) | Average monthly number of beneficiaries | Amount (in AMD billion) |
| Total | 10,495 | 2,957 | 11,299 | 2,977 | 11,539 | 3,066 | 13,312 | 3,072 |

The abrupt growth of financing for these two types of allowances over the last three years was the result of the increased size of benefits and the higher number of beneficiaries. At that, the higher number of parents eligible for childcare allowance might partly reflect the impact of the global crisis, as being on leave allows a parent to avoid redundancy cuts (since it is prohibited to dismiss such parents for a period of three years).

At the same time, the issue of portfolio provision of social services is emphasized. Rendering *integrated social services* is a perspective way to enhance their quality and accessibility, to improve customer focus, and to increase effectiveness of assessment and monitoring and the overall efficiency of the entire process.

The process of introducing the new system requires significant time and efforts; therefore it should be implemented in a phased manner encompassing different areas of administration. For the successful introduction of the new system substantial work has been carried out to elaborate new legislation, to clarify the scope of the powers at each level, as well as to identify the areas of joint effort, design relevant mechanisms and their normative basis.

In order to introduce the integrated social services system (hereinafter: the system), the Government's Decree No 952-N from July 26, 2012 endorsed the implementation plan of the system, providing for the launch of a pilot project of integrated social services in Ararat region.

Due to the introduction of the system, territorial centers for unified social services (TCCSS) will be established in the country. Such centers will host various territorial divisions of the agencies providing social services, such as the social security divisions of the Ministry of Labor and Social Affairs, (regional) territorial employment centers, committees of socio-medical expert examination, territorial bodies of regional municipalities (Yerevan, Gyumri, Vanadzor, Ararat and Jermuk community administrations) providing social services.

In 2013, 19 TCCSSs begun to operate (Ararat, Artashat, Vedi, Masis, Ashotzk, Maralik, Charentzavan, Yeghvard, Baghramyan, Armavir, Vardenis, Chambarak, Noyemberyan, Ajapnyak, Nubarashen, Davtashen, Nork-Marash, Avan, and Erebuni).

To further develop this process, buildings and premises will be allocated to the Ministry of Labor and Social Affairs by means of adopting relevant Government decrees or concluding open-ended contracts with community administrations on free-of-charge usage of property, for the deployment of territorial centers for unified social services.

The following works were implemented in 2014 for introducing the system of integrated social services:

- Drafts of the relevant normative-legal acts were submitted to the Government;

On December 17, 2014, the National Assembly adopted the Republic of Armenia Law on Social Benefits, which established the concepts of social services, social assistance and integrated social

services, the main types of social services, principles of their classification and delivering units, the main principles of delivery of social services and social assistance, eligibility for social assistance, its goal, management system of social assistance, rights and obligations of social assistance beneficiaries and financing sources. Furthermore, other issues pertaining to social cooperation in Armenia, implementation of local social programs, and provision of social assistance are covered.

- **Technical re-equipment of the territorial centers for unified social services was carried out**

Within the framework of the World Bank Social Protection Administration Project works on preparing budget and design of capital repair of integrated social services centers (ISSC) were conducted. Piloting of the delivery of integrated social services was launched in Ararat, Masis, Vedi Social centers, and thereupon the project embraced other territorial social centers as well where rehabilitation works were finalized. 19 ISSCs were put into operation. Works on allocation, lease of space, design and budgeting another 14 ISSCs are underway.

- **Training courses were organized for the staff of the territorial centers of integrated social services**

Within the framework of the project in 2014, training modules for the staff of the territorial centers of integrated social services were developed. In parallel, training of ISSC social workers was provided.

4. Social Protection

Disabled and Elderly

In 2014, the following legal acts were developed and adopted:

1. Government's Protocol Decision No 40 of September 25, 2014 "On Approving the Draft Annual Program and Action Plan for Social Protection of Disabled Persons in 2014";
2. Government's Protocol Decision No 1 of January 9, 2014 "On Approval of the Model of Disability Based on International Classification of the Functions of the World Health Organization";
3. Government's Protocol Decision No 39 of September 18, 2014, "Concept of Provision of Social Services to Elderly and 2015-2019 Plan of Actions";

Pursuant to provisions of the UN 2006 Convention "On Rights of Persons with Disabilities" and "2006-2015 Strategy of Social Protection of Disabled, during 2014 works on integration of the disabled in the civil society continued.

Draft law "On Protection of the Rights and Social Integration of Disabled Persons:" approved by the government is currently reviewed in the National Assembly. The law regulates issues pertaining to definition of disability, social, medical and professional rehabilitation of the disabled, creation of affordable environment for them, ensuring their education, work and health, and creation of minimal social, legal and economic guarantees for their integration into society.

Pursuant to the provisions of Convention, graduate steps are taken aimed at legislative reforms for the solution of the problems of disabled, promotion of the existing projects and development of innovative approaches.

As of January 1, there were 198,619 registered disabled in Armenia, including 8,006 children. 64.7 % of the disabled were of working age, out of which 8-9% was employed.

During 2014, 17,547 persons passed the first expert examination and 15,681 or 89.4 % were recognized disabled.

Among persons recognized as disabled 4.4% received the 1-st group of disability, 25.7% the 2-nd, 63.9% the 3-rd and 6% were qualified as disabled children.

During the reporting year, some 73,421 persons were examined by socio-medical expert examination bodies, including 2,946 persons below 18 years of age. Among them, the number of re-examined persons totaled 56,293. Out of all examined persons, 54,797 were qualified as having disabilities (93.7%).

In the area of social protection of the disabled measures were implemented with the view to social inclusion of disabled, ensuring equal rights and opportunities for them, improving access to all areas of social life for them, their medical and social rehabilitation, implementation of educational and employment programs, provision of prosthesis and rehabilitation supplies and delivery of other services. In 2014, 1,030 persons received socio-medical and mental health rehabilitation treatment. During 2014, disabled persons received 12,615 hearing aids, 956 prosthesis of upper and lower extremities, 17 mio-prosthesis, 384 orthosis, 620 corsets, 159 stretchers, 751 surgical footbeds, 3 recliners, 1151 crutches, 459 hand sticks, 1,061 orthopedic shoes, 1831 prosthetic shoes, 697 breast prosthesis, 8 small wheel-chairs, 223 walkers, 592 items were repaired, 80 disabled persons received sound-generating devices, 150 disabled persons were provided eye prosthesis. Furthermore, 1,320 hearing devices were provided of which 1059 manufactured in CIS, 74 European and 187 by certificate, as well a 400 inserted hearing apparatuses (for 200 children), and 625 wheelchairs.

Braille books, note books and magazines were printed and "Talking Books" recorded.:

Public support was provided to NGO "Prkutyun" (Salvation), which facilitates social inclusion of disabled children (mainly with mental problems) and youth (50 beneficiaries) and their families through alleviation of their social, educational and health programs.

The main objective of the state policy for *elderly people* is to improve the quality of life of persons living alone, and those in need of care or shelter.

The following activities were implemented within the framework of the project "Care Services for Persons Above 18 Year in Need of Care":

- **Day care services for the elderly**

Services for single elderly and disabled persons are delivered by Nursing Home No 1 in Yerevan, the Neuro-Psychological Nursing Home in Vardenis and the Nursing Home in Gyumri. 1,090 pensioners cared in nursing houses are under full state care.

- **In-house social service for single elderly**

In-house care and social services are provided to single elderly by public NCO “Center for Provision of In-House Social Services to Single Elderly and Disabled Persons”, which delivers services to 1,500 pensioners in Yerevan.

- **Day care services for persons with mental health problems**

30 persons in need of mental care are services in the day care center of Vardenis Nursing Home.

- **Temporary shelter for homeless people**

The Ministry of Labor and Social Affairs implements project on provision of shelter to homeless persons and to this end provides financing to the charitable foundation “Hans Christian Kofoed” for provision of temporary shelter to 100 persons (for up to 90 days) and delivery of various social services.

- **Social services provided to single elderly and persons with disabilities in-house and at regional day care centers**

Within the framework of this measure, assistance was provided to charitable foundation “Mission Armenia” for reimbursement of salaries of staff providing care to single elderly and persons with disabilities in-house and at regional day care centers in 8 regions.

- **24-hour care and social services for the elderly at Vanadzor Nursing Home**

Under this program, 24-hour care is provided to the elderly who have partially or fully lost the ability of self-service, by meeting their basic living needs, providing first medical aid, essentials and personal hygiene items.

The staff of 27 workers at Vanadzor Nursing Home takes care of 55 retired elderly people. The nursing home is sponsored by the Fund for Armenian Relief; however, starting from 2009 is also receives government support for the payment of staff salaries. Other costs, such as those for clothing, medicines, utilities, transportation, administrative and other expenses are covered by the Fund for Armenian Relief.

Children

Children’s Problems

The following legal acts were adopted in 2014:.

1. Government decree No 743-N of July 17, 2014 “On Approval of Program on Organization of the Return to Families of Children (Load Alleviation) Cared in the Round the Clock Care and Protection Facilities in the Republic of Armenia and Prevention of Children’s Access to Facilities”;
2. Government Protocol Decision No 51 of December 4, 2014 “On Approval of Concept Paper and Plan of Actions Against Child Violence”.

The main goal of the children’ social protection in Armenia is the full satisfaction of the needs of children and families in difficult circumstances and ensuring the right of each child to live in family. The main ideology of reforms and the Government’s policy is to provide for the care and upbringing of children in families, by means of reducing the number of children in orphanages and childcare boarding schools and preventing the inflow of children into such facilities.

To deal with this task, the network of day care centers is further expanded as an alternative to orphanages and special educational facilities.

Pursuant to government decree No 1324-N of August 5, 2004 “On Recognition of the Republic of Armenia Authorized Governance Body and Establishment of Minimum Criteria for Care and Education of Children in Children Care and Education Facilities” and Government decree No 815-N of May 31, 2007 “On Establishment of Minimum Criteria for Care and Education of Children in Orphanages (Irrespective of the Type of Incorporation)”, 745 children of 0-18 age are cared in 6 facilities under the Ministry umbrella (orphanages), where various works on their care and education are carried out, such as socio-psychological rehabilitation, protection of their rights and interests, provision of food, clothing and household items, organization of education and health services. Among those 6 children care facilities 3 are of general type and other 3 specialized institutions where 530 children with central nervous system disorders, congenital and acquired physical and mental disabilities are cared.

Pursuant to government decree No 1735-N of November 9, 2014 “On Approval of Procedure for Placement of Children in Care Facilities (Orphanage, Boarding House)”, the care and education of 960 children from vulnerable families registered in family means-tested system was arranged in 8 boarding schools where care is separated from education, which is provided in general schools in order to integrate children in the society.

Pursuant to government decree No 1877-N of December 7, 2006 “On Approval of Procedure for Provision of Day Care to Children”, 3 centers children of social care under the Ministry umbrella deliver services to around 300 children from the risk group aged from 6 to 18 years and help their families.

Pursuant to government decree No 1659-N of December 20, 2012 “On Rehabilitation of Children Home of the Ministry of Labor and Social Affairs NGO “Zatik” in Yerevan and Introduction of Amendments to Government Decree No 209-N of January 23, 2003”, annually 20 children aged between 3 and 18 years receive round the clock care in Zatik Center for up to 6 months period before they return to their families or are placed in orphanages or boarding houses.

Four day care service centers of the non-governmental organization “Bridge of Hope” continue to operate in Dilijan, Ijevan, Noyemberyan and Berd communities of Tavush region, where they provided services to 250 children found to be in difficult life conditions. These centers receive state support in the form of salaries to 84 employees.

Pursuant to government decree No 1452-N of December 18, 2014, “On Approval of the Project on Public Support to the Graduates of republic of Armenia Children’s Homes and Repeal of Government Decree No 158-N of February 17, 2005”, 17 such graduates received assistance. This project has been launched in Vanadsor and Gavar cities since 2014 by NCOs “Vanadsor Children’s Home” and “Gavar Children’s’ Home” for 18-23 years old graduates. It is aimed at ensuring social protection of the graduates and creating favorable conditions for their independent arrangement of future life and integration in society.

In 2014, the policy of placing children into families was further implemented. Hence, the program of *services for introduction of the institute of foster families in the Republic of Armenia* and the program of *services for returning to families the inmates of childcare facilities in the Republic of Armenia* enabled arranging care of 17 children in foster families, returning 50 children to their biological families, and preventing enrollment of 50 children in childcare facilities.

Pursuant to Government decree No 743-N, beginning from 2014 the project “Services on Family Return of Children Cared in Care Facilities” has been launched also in Shirak region.

The program of *monetary assistance package for families with children having returned to their biological families* provided monetary assistance to 100 biological families.

Pursuant to Government decree No 1324-N of August 5, 2004 “On Recognition of the Republic of Armenia Authorized Governance Body and Establishment of Minimum Criteria for Care and Education of Children in Children Care and Education Facilities” 159 children of 7-18 years age receive pocket money for small costs.