

# STATISTICAL ANNEX

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*Numeration of the tables in the Statistical Annex is done according to the numeration of chapters in the report. In certain cases insignificant variation between the totals and the sum of the components is result of rounding the data.*

## Annex 1

**Table A 1.1 Armenia: Natural population flows, marriages and divorces by marzes and Yerevan , 2011**

	Population at the end of the year, in 1000			Births			Deaths			Marriages	Divosrces
	Total	Male	Female	Total	Male	Female	Total	Male	Female		
Armenia	3274.3	1590.3	1684.0	43340	23127	20213	27963	14618	13345	19706	3188
Yerevan	1127.3	528.3	599.0	15704	8376	7328	9185	4831	4354	7117	1465
Aragatsotn	142.9	71.9	71.0	1988	1089	899	1255	650	605	821	77
Ararat	281.7	138.3	143.4	3701	2027	1674	2260	1182	1078	1747	189
Armavir	287.4	141.8	145.6	3954	2095	1859	2282	1206	1076	1850	201
Ggharkounik	243.1	123.4	119.7	3260	1820	1440	1934	1010	924	1414	118
Lori	282.2	137.3	144.9	3391	1771	1620	2910	1477	1433	1434	438
Kotayk	283.5	140.3	143.2	3849	2058	1791	2247	1190	1057	1934	225
Shirak	282.3	138.3	144.0	3729	1973	1756	2797	1471	1326	1570	239
Syunik	153.0	76.1	76.9	1593	790	803	1285	697	588	751	121
Vayots Dzor	56.1	28.1	28.0	651	351	300	464	236	228	363	43
Tavoush	134.8	66.5	68.3	1520	777	743	1344	668	676	705	72

Source: NSS RA

## Annex 2

**Table A3.1: Armenia Poverty indicators, 2008 and 2011, in %**  
(Standard errors in parenthesis)

	2008 <sup>p.</sup>			2011 <sup>p.</sup>		
	Very Poor (%)	Poor (%)	Share in total population	Very Poor (%)	Poor (%)	Share in total population
Urban	1.9	27.6	64.9	4.6	35.2	64.8
	(0.3)	(0.9)		(0.5)	(1.4)	
Yerevan	1.1	20.1	33.8	2.7	27.5	34.0
	(0.4)	(1.4)		(0.7)	(2.0)	
Other urban	2.8	35.8	31.0	6.6	43.6	30.8
	(0.4)	(1.1)		(0.8)	(1.6)	
Rural	1.2	27.5	35.1	2.2	34.5	35.2
	(0.4)	(1.4)		(0.6)	(2.0)	
Total	1.6	27.6	100	3.7	35.0	100.0
	(0.2)	(0.8)		(0.4)	(1.1)	

Source: ILCS 2008 and 2011.

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

**Table A3.2: Armenia: Consumption per adult equivalent by deciles, 2008 and 2011, in drams, in average annual 2008 prices**

Deciles	2008		2011		Average annual change in consumption 2008-2011, in %
	Share in total consumption	Mean Consumption	Share in total consumption	Mean consumption	
1-poorest	4.8	20462	4.5	18003	-3.4
2	5.9	25200	5.7	23024	-2.4
3	6.7	28907	6.5	26336	-2.5
4	7.6	32524	7.4	29729	-2.4
5	8.4	36311	8.0	32235	-3.1
6	9.4	40213	9.1	36648	-2.4
7	10.5	44839	10.3	41551	-2.0
8	11.9	50663	11.6	46681	-2.2
9	13.9	59478	13.6	54710	-2.2
10-richest	20.9	90123	23.3	93694	1.0
<b>Average</b>	<b>100</b>	<b>42870</b>	<b>100</b>	<b>40262</b>	<b>-1.7</b>

Source: ILCS 2008 and 2011

**Table A3.3: Armenia: Poverty measures by administrative regions (*marzes*), 2008 and 2011**  
(Standard errors in parenthesis) {95% confidence interval in curly brackets}

	2008		2011			
	Very poor	Poor	Very poor	Poor	Share in the poor	Share in total population
Yerevan	1.1 (0.4) {0.3;1.9}	20.1 (1.4) {17.3;22.9}	2.7 (0.7) {1.4;4.0}	27.5 (2.0) {23.5;31.5}	26.7	34
Aragatsotn	0.5 (0.4) {-0.3;1.3}	20.3 (3.2) {13.9;26.7}	1.1 (0.6) {0.0;2.3}	20.7 (4.3) {12.3;29.1}	2.2	3.8
Ararat	1.6 (0.7) {0.2;3.0}	31.3 (2.9) {25.5;37.1}	2.5 (0.8) {1.0;4.1}	39.3 (3.7) {32.0;46.5}	9.3	8.3
Armavir	0.7 (0.3) {0.1;1.3}	24.5 (2.4) {19.7;29.3}	5.6 (1.5) {2.7;8.6}	37 (3.7) {29.8;44.3}	9.3	8.8
Gegharkunik	0.4 (0.1) {0.2;0.6}	32 (3.1) {25.8;38.2}	1.5 (0.9) {-0.4;3.4}	37 (4.4) {28.4;45.7}	6.5	6.1
Lori	2.8 (0.8) {1.2;4.4}	34.2 (2.5) {29.2;39.2}	4.7 (1.3) {2.3;7.2}	45.4 (3.5) {38.5;52.3}	12.3	9.4
Kotaik	2.1 (0.7) {0.7;3.5}	39.5 (2.4) {34.7;44.3}	7.1 (1.9) {3.4;10.8}	45.5 (3.6) {38.5;52.5}	13.3	10.2
Shirak	4.6 (1.3) {2.0;7.2}	42.4 (2.6) {37.2;47.6}	7 (1.7) {3.7;10.2}	47.7 (3.4) {41.1;54.4}	12.2	8.9
Syunik	1.3 (0.4) {0.5;2.1}	20.3 (3.0) {14.3;26.3}	1.1 (0.9) {-0.7;2.8}	26.8 (3.4) {20.0;33.5}	3.2	4.2
Vayots Dzor	1.9 (0.9) {0.1;3.7}	21.1 (3.1) {14.9;27.3}	1.5 (0.8) {0.03;0}	29.9 (4.9) {20.3;39.4}	1.6	1.8
Tavoush	1.7 (0.7) {0.3;3.1}	23.2 (2.6) {18.0;28.4}	2 (1.2) {-0.4;4.5}	26.7 (3.4) {20.0;33.4}	3.4	4.5
Total	1.6 (0.2) {1.2;2.0}	27.6 (0.8) {26.0;29.2}	3.7 (0.4) {2.9;4.5}	35 (1.1) {32.7;37.2}	100	100

Source: ILCS 2008 and 2011

**Table A3.4: Armenia: Consumption and income poverty in 2011, in %**

	Consumption non-poor	Consumption poor	Total
Very poor: extreme (food) poverty line = 21306 drams			
Income non-poor	84.3	2.5	86.8
Income poor	12.0	1.2	13.2
Total	96.3	3.7	100
Poor: complete poverty line = 36158 drams			
Income non-poor	43.9	19.0	62.9
Income poor	21.1	16	37.1
Total	65.0	35.0	100

Source: ILCS 2011.

**Table A3.5: Both income and consumption poor and very poor in 2008-2011,%**

	2008	2009	2010	2011
Very poor	0.6	1.2	1.1	1.2
Poor	14.3	16.6	17.7	16.0

Source: ILCS 2008- 2011.

**Table A3.6. Armenia, Poverty Indicators 1996 -2004  
By methodology of 1996**

	1996	1998/99	2001	2002	2003	2004
Very poor	27.7*	22.9	16.0	13.1	7.4	7.2
Poor	54.7*	55.1	50.9	49.7	42.9	39.0

(percent)

Source. ILCS 1996,1998/99 and 2001-2004

\*/ILCS was conducted within one month. In 1998-1999 (from July 1, 1998 through June 30, 1999) and starting 2001 it is being implemented annually.

**Table A3.7: Armenia: Decomposition of poverty incidence change into growth and distribution components between 2008 and 2011 (average effects)**

	Total	Urban	Yerevan	Other urban	Rural
Very poor					
Percentage change in poverty incidence	2.09	2.70	1.61	3.91	0.97
Growth component	1.10	0.86	-0.10	3.30	1.04
Redistribution component	0.99	1.84	1.71	0.61	-0.07
Residual	0.00	0.00	0.00	0.00	0.00
Poor					
Percentage change in poverty incidence	7.38	7.56	7.41	7.82	7.05
Growth component	5.34	2.62	-0.89	10.04	11.69
Redistribution component	2.04	4.94	8.30	-2.22	-4.64
Residual	0.00	0.00	0.00	0.00	0.00

Source: ILCS 2008 and 2011.

**Note:** A change in poverty 2008-2011 is derived predominately by distribution component. 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 growth on poverty, keeping inequality constant and vice versa. The 7.38 percentage point growth in overall poverty in Armenia was decomposed into a 5.34 percentage points growth in poverty due to decline in mean consumption and a 2.04 percentage point increase in poverty due to increased inequality. Thus, the growth and redistribution components acted in the opposite directions influencing reduction in poverty altogether. Looking across regions, growth in rural poverty by 7.05 percentage point is almost entirely attributable to consumption growth (brought to growth in poverty by 11.69 percentage point), and decrease in inequality of its distribution (brought to decrease in poverty by 4.64 percentage point).

**Table A3.8: Armenia: Determinants of consumption, 2008 and 2011  
Dependent variable: ln (consumption per adult equivalent)**

	2008		2011	
<b>Household characteristics</b>				
Fraction age 0-5	-0.026	(0.010)**	-0.039	(0.009)***
	0.014	(0.008)*	0.002	-0.008
Fraction age 6-14	-0.052	(0.013)***	-0.048	(0.018)**
	0.011	-0.009	-0.014	-0.011
Fraction age 15-18	0.022	(0.008)**	0.005	-0.015
	f		f	

	2008		2011	
Fraction age 19-25	-0.023	(0.012)*	0.001	-0.01
	-0.213	(0.022)***	-0.292	(0.059)***
Fraction age 26-45				
	-0.007	(0.003)*	-0.004	-0.002
Fraction age 46-60	0	(0.000)**	0	0
Fraction age 61+	-0.06	(0.010)***	-0.06	(0.022)**
	-0.027	-0.037	0.004	-0.014
<i>Ln</i> (Household size)	f		f	
	0.076	(0.013)***	0.016	-0.009
<b>Characteristics of the household head</b>	0.261	(0.097)**	0.1	(0.038)**
Age	0.237	(0.013)***	0.216	-0.137
	f		f	
(Age) <sup>2</sup>	0.053	(0.027)*	0.016	-0.019
	0.044	-0.064	-0.023	-0.034
Female	-0.014	-0.021	-0.042	(0.014)**
	0.048	-0.036	0.038	-0.026
Disabled	0.019	-0.071	0.211	(0.030)***
Primary education or below, lower secondary	0.074	(0.018)***	0.211	(0.035)***
Upper secondary education	0.079	(0.025)***	0.167	(0.049)***
	0	0	0.079	(0.025)**
Specialized secondary education	f		f	
	-0.023	-0.024	-0.079	(0.043)*
		-0.076		
Tertiary education	-0.049	(0.023)***	-0.065	-0.07
	-0.244	(0.062)***	-0.345	(0.066)***
Wage-employed	-0.283	(0.062)***	-0.295	(0.072)***
Self-employed	0.094	(0.033)**	-0.12	(0.034)***
	f		f	
Other employment	-0.075	(0.020)***	-0.204	(0.022)***
	-0.148	(0.011)***	-0.214	(0.015)***
Unemployed	-0.043	(0.015)**	-0.239	(0.016)***
	-0.16	(0.016)***	-0.29	(0.020)***
Pensioner	-0.165	(0.011)***	-0.3	(0.014)***
	-0.196	(0.007)***	-0.36	(0.007)***
Other non-participants	-0.211	(0.007)***	-0.324	(0.009)***
	-0.022	(0.010)**	-0.253	(0.010)***
<b>Other household characteristics</b>	0.008	-0.015	-0.179	(0.018)***
Migrant member	-0.028	(0.014)*	-0.176	(0.016)***
	11.112		11.519	
Migrant returned from abroad	0.235		0.2919	
	0.3724		0.39645	
Migrant returned from other place in Armenia	7294		7237	

Source: ILCS 2008 and 2011.

Note: f – reference category, \* indicates 10 percent significance; \*\* indicates 5 percent significance; \*\*\* indicates 1 percent significance.

**Table A3.9: Armenia: Consumption components by quintiles and regions in 2008 and 2011,  
(drams per month; in average 2010 prices)**

	Poorest		2		3		4		5		Total	
	2008	2011	2008	2011	2008	2011	2008	2011	2008	2011	2008	2011
<b>All households</b>												
Food	16056	15120	19096	19281	21703	23542	25238	29548	30461	36548	30461	24808
Alcohol and Tobacco	762	868	1234	1354	1537	1572	2050	1943	2733	3241	2733	1796
Clothing and shoes	254	199	565	603	1061	1086	2061	1613	4427	6832	4427	2067
Utilities and communication/ telegraf	2263	3492	3693	5126	5069	5724	5670	7390	8720	12196	8720	6786
Transportation	148	61	363	145	549	295	875	345	1099	1646	1099	499
Household goods	737	1234	1357	2101	2281	2716	3624	3903	8378	9155	8378	3822
Recreation, culture	0	2	1	15	2	16	13	21	67	441	67	99
Education	144	39	778	38	1315	42	1943	70	4048	891	4048	216
Health	12	79	154	85	259	260	687	467	6133	3945	6133	967
Other services	324	510	586	1067	983	1403	1472	2315	2839	7184	2839	2496
Rental value of durable goods	2149	3013	2904	3820	3512	4675	4128	5326	5876	6964	5876	4760
<b>Average</b>	<b>22849</b>	<b>24617</b>	<b>30730</b>	<b>33635</b>	<b>38270</b>	<b>41331</b>	<b>47760</b>	<b>52941</b>	<b>74782</b>	<b>89043</b>	<b>74782</b>	<b>48316</b>
Consumption in-kind	2478	1876	2909	3225	3529	4187	4691	4478	4541	5052	4541	3764
<b>Yerevan</b>												
Food	14847	13355	17411	16847	19810	20565	22448	28379	28426	35638	21670	25542
Alcohol and Tobacco	976	1058	1469	1787	1725	2016	2483	2078	2747	3556	2018	2354
Clothing and shoes	144	205	471	260	759	421	1614	1010	4532	8227	1865	3043
Utilities and communication/ telegraf	2872	4374	4197	6419	5974	7099	6183	8998	9676	13755	6327	9183
Transportation	211	11	366	63	549	94	855	134	863	2208	622	776
Household goods	730	1705	1462	2440	2597	2939	3895	4374	9088	10599	4245	5495
Recreation, culture	0	0	2	0	4	1	9	6	69	571	23	188
Education	247	66	966	12	1630	34	2482	84	4844	1508	2405	527
Health	1	63	173	109	224	286	998	565	4877	4049	1656	1514
Other services	733	1080	1252	1815	1593	2223	2591	3054	4251	8457	2334	4208
Rental value of durable goods	2524	3004	3075	3781	3493	4809	4164	5294	6216	6877	4195	5154
<b>Average</b>	<b>23284</b>	<b>24921</b>	<b>30844</b>	<b>33533</b>	<b>38359</b>	<b>40487</b>	<b>47721</b>	<b>53976</b>	<b>75591</b>	<b>95445</b>	<b>47311</b>	<b>57984</b>
Consumption in-kind	791	835	573	712	736	761	1540	1451	2075	3430	1263	1789
<b>Other Urban Households</b>												
Food	15654	15077	18871	19375	21914	23043	25275	29310	30302	35917	21318	22518
Alcohol and Tobacco	726	796	1208	1243	1413	1472	1729	1774	2598	2471	1408	1396
Clothing and shoes	273	166	523	816	1170	1471	2210	1855	4395	7630	1420	1742

	Poorest		2		3		4		5		Total	
	2008	2011	2008	2011	2008	2011	2008	2011	2008	2011	2008	2011
Utilities and communication/ telegraf	2209	3509	3970	5449	5314	6505	6587	8174	9351	12569	4977	6405
Transportation	148	35	307	71	435	69	753	242	1482	344	534	120
Household goods	774	1047	1412	1842	2045	2599	3360	3317	8778	9044	2756	2866
Recreation, culture	0	4	0	3	3	3	37	14	137	618	27	77
Education	145	36	804	67	1275	72	2262	140	4238	266	1460	94
Health	11	49	206	132	276	277	323	319	7041	4032	1182	627
Other services	126	237	321	554	584	1000	856	1459	1572	6632	590	1420
Rental value of durable goods	2194	3092	2986	4002	3607	4891	4556	5740	6245	8160	3623	4710
<b>Average</b>	<b>22259</b>	<b>24048</b>	<b>30609</b>	<b>33554</b>	<b>38037</b>	<b>41402</b>	<b>47948</b>	<b>52344</b>	<b>76138</b>	<b>87683</b>	<b>39296</b>	<b>41975</b>
Consumption in-kind	962	652	1052	1330	1392	1549	1503	1948	2529	2995	1382	1480
<b>Rural Households</b>												
Food	17454	16590	20476	21010	23439	25571	27668	30899	33849	38885	24378	26105
Alcohol and Tobacco	643	818	1097	1124	1451	1415	1873	1921	2815	3104	1547	1606
Clothing and shoes	313	241	673	685	1273	1130	2358	2065	4282	3365	1715	1408
Utilities and communication/ telegraf	1870	2763	3070	3905	3946	4332	4636	5222	6699	8674	3982	4803
Transportation	100	138	418	266	644	591	970	629	1186	1355	657	562
Household goods	699	1127	1230	2061	2161	2691	3552	3819	6931	6201	2803	3042
Recreation, culture	0	0	0	37	0	35	2	40	11	49	2	32
Education	65	23	623	35	1029	22	1265	7	2620	21	1080	22
Health	21	135	87	28	280	231	647	467	7463	3668	1486	736
Other services	211	448	353	931	677	1291	857	2141	1532	4890	704	1784
Rental value of durable goods	1806	2909	2705	3699	3450	4424	3824	5079	5062	6335	3339	4422
<b>Average</b>	<b>23184</b>	<b>25192</b>	<b>30732</b>	<b>33781</b>	<b>38351</b>	<b>41733</b>	<b>47652</b>	<b>52289</b>	<b>72451</b>	<b>76547</b>	<b>41691</b>	<b>44522</b>
Consumption in-kind	5574	4459	6364	6633	8161	8226	9488	9271	10029	9848	7898	7674

Source: ILCS 2008 and 2011.



**Table A3.10: Armenia: Income sources by consumption quintiles and regions in 2011 (in 2011 current prices, in drams per month per adult equivalent)**

<b>Income sources</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>
<b>All households</b>						
Wage-employment	14070	17867	19389	26404	41772	23901
Self-employment	1309	1957	2610	3337	6833	3210
Farm Income	10525	11002	11590	10720	8201	10407
Remittances	1511	2868	4843	6186	11663	5414
Transfers	7663	7923	8698	8420	9260	8393
Pensions	6010	6829	7796	7630	8538	7361
Other transfers	1653	1094	902	790	722	1032
Assets sold	54	35	3	57	50	40
Income from rent, interest,	0	254	318	142	169	177
Other income	1049	1416	1568	1689	2288	1602
Income in-kind	528	688	794	1206	2792	1202
<b>Average</b>	<b>36709</b>	<b>44010</b>	<b>49813</b>	<b>58161</b>	<b>83028</b>	<b>54346</b>
<b>Yerevan</b>						
Wage-employment	17473	24255	29702	37254	53898	36525
Self-employment	1729	2904	2645	3996	8138	4637
Farm Income	432	371	374	358	551	435
Remittances	1444	3352	5863	4865	9482	5740
Transfers	8814	8426	9847	9007	9299	9089
Pensions	7338	7338	9264	8420	8693	8282
Other transfers	1476	1088	583	587	606	807
Assets sold	169	54	9	147	91	97
Income from rent, interest,	0	876	1312	273	282	480
Other income	627	1007	1277	989	2224	1378
Income in-kind	835	714	753	1414	3431	1773
<b>Average</b>	<b>31523</b>	<b>41959</b>	<b>51782</b>	<b>58303</b>	<b>87396</b>	<b>60154</b>
<b>Other urban households</b>						

<b>Income sources</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>Total</b>
Wage-employment	17322	22820	22740	27582	43021	24335
Self-employment	1743	2283	3515	4516	7489	3372
Farm Income	3059	2716	3187	4186	4114	3321
Remittances	1908	3994	5178	7411	21260	6222
Transfers	7058	8104	8648	7990	9901	8116
Pensions	5390	7010	7475	6955	8939	6863
Other transfers	1669	1094	1172	1035	962	1253
Assets sold	5	60	2	0	0	14
Income from rent, interest,	0	0	28	148	79	39
Other income	710	936	712	1891	1593	1050
Income in-kind	436	694	736	1168	2295	892
<b>Average</b>	<b>32241</b>	<b>41607</b>	<b>44746</b>	<b>54892</b>	<b>89752</b>	<b>47361</b>
<b>Rural households</b>						
Wage-employment	6602	9152	10917	14305	16236	11296
Self-employment	341	997	1842	1857	3739	1686
Farm Income	29512	25540	24744	25919	26504	26271
Remittances	989	1599	4003	6736	9731	4392
Transfers	7608	7406	8104	8098	8757	7961
Pensions	5837	6309	7250	7261	7957	6904
Other transfers	1772	1097	854	837	800	1057
Assets sold	31	0	0	1	0	6
Income from rent, interest,	0	3	9	1	0	3
Other income	1882	2107	2437	2283	2880	2302
Income in-kind	413	664	864	1016	1819	919
<b>Average</b>	<b>47378</b>	<b>47468</b>	<b>52920</b>	<b>60216</b>	<b>69666</b>	<b>54836</b>

Source: ILCS 2011.

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

### Annex 3

**Table A7.1. Average Monthly Consumer Expenditures of Households in 2008-2011(per one present member of the household, in drams)**

	Total households			Including					
	2008	2010	2011	Urban			Rural		
				2008	2010	2011	2008	2010	2011
<b>Consumer expenditures</b>	<b>28878</b>	<b>28646</b>	<b>32585</b>	<b>30568</b>	<b>29886</b>	<b>35041</b>	<b>25754</b>	<b>26126</b>	<b>28059</b>
Including:									
• On food products*	14984	14848	17184	15086	14723	17277	14794	15071	17010
• Purchase of non-food products	4730	4439	5022	5082	4580	5546	4079	4188	4059
of which									
Cloths, shoes, fabrics	1247	1172	1444	1243	1172	1650	1254	1172	1066
Furniture and household goods	1122	407	626	1238	385	678	909	447	529
Medicine, medical supplies	536	1144	1114	635	1207	1228	354	1028	902
Construction materials	133	150	153	178	198	210	49	64	47
Fuel	544	375	418	521	330	404	586	456	445
• Purchase of alcohol drinks	227	272	245	218	236	236	243	337	263
• Purchase of tobacco	1019	1009	1123	1094	1136	1225	882	785	934
• Payment of personal services	7918	8082	9011	9088	9211	10757	5756	5745	5793
Including:	2635	3011	3567	3052	3409	4046	1865	2296	2685
Housing utilities	36	41	47	55	62	72	2	3	0
of which									
floor space	2599	2970	3520	2997	3347	3974	1863	2293	2685
public utilities	1031	1198	1378	1144	1302	1490	821	1011	1171
including the electricity	1254	1491	1833	1351	1635	2030	1075	1232	1470
Communal services fee	19	66	43	10	10	25	37	167	75
of which,									
cloths and shoes repara	46	65	183	52	83	258	36	34	45
Cultural services	4	6	66	5	8	91	3	3	22
Education fee	3	4	12	5	5	7	0	0	21
Payment for healthcare services	1221	141	167	1457	186	249	783	60	15
Sanatorium fee, including the leisure	1035	1136	686	1029	1142	707	1048	1034	537
Transportation services	20	191	53	30	295	81	1	3	3
Communication services	967	907	1003	1199	1148	1226	539	473	591
<b>Consumer expenditures</b>	<b>1404</b>	<b>1424</b>	<b>1570</b>	<b>1553</b>	<b>1681</b>	<b>1870</b>	<b>1129</b>	<b>961</b>	<b>1017</b>
Including:	16	97	92	22	70	123	5	147	35

Source: ILCS 2008-2011

**Table A7.2. Average monthly consumer expenditures of households by decile groups in 2004-2011(per household member, drams)**

2004	Total	Decile groups									
		I	II	III	IV	V	VI	VII	VIII	IX	X
Consumer expenditures	19251	5740	8535	10436	12289	14154	16288	18950	22638	28763	54713
including											
Food products*	10797	4214	6090	7480	8543	9428	10437	11693	13425	15853	20815
Alcoholic drinks	163	21	38	63	53	85	120	146	211	275	614
Tobacco	808	296	399	531	652	732	801	866	1090	1157	1560
Non food products	2787	492	872	929	1315	1623	2030	2634	3092	4696	10180
Services	4696	717	1136	1433	1726	2286	2900	3611	4820	6782	21544

  

2005	Total	Decile groups									
		I	II	III	IV	V	VI	VII	VIII	IX	X
Consumer expenditures	21109	6071	9233	11583	13514	15500	17902	20878	24902	31248	60276
including											
Food products*	12035	4448	6598	8348	9322	10417	11846	13124	14937	17803	23518
Alcoholic drinks	179	18	32	42	63	82	112	152	182	350	751
Tobacco	835	261	436	519	624	735	863	1022	1217	1160	1513
Non food products	3014	506	828	1005	1403	1711	1892	2555	3134	4525	12588
Services	5046	838	1339	1669	2102	2555	3189	4025	5432	7410	21906

  

2006	Total	Decile groups									
		I	II	III	IV	V	VI	VII	VIII	IX	X
Consumer expenditures	23276	7321	10878	13239	15249	17561	20117	23319	27457	34187	63377
including											
Food products*	13149	5318	7852	9182	10199	11631	12867	14068	15884	18434	26031
Alcoholic drinks	210	18	34	62	73	114	131	214	258	356	842
Tobacco	953	283	463	564	783	839	1013	1125	1326	1373	1759
Non food products	3250	515	917	1284	1501	2184	2327	2934	3652	5337	11837
Services	5714	1187	1612	2147	2693	2793	3779	4978	6337	8687	22908

2007	Total	Decile groups									
		I	II	III	IV	V	VI	VII	VIII	IX	X
Consumer expenditures	26297	8065	11841	14424	16876	19554	22533	26077	31446	40137	72006
including											
Food products*	14080	5620	8085	9450	10602	12056	13465	15311	17475	19976	28761
Alcoholic drinks	236	31	65	77	100	108	146	216	309	441	863
Tobacco	975	367	447	697	881	891	993	1109	1295	1384	1685
Non food products	4113	578	1091	1223	1586	2094	2881	3465	4638	7338	16232
Services	6893	1469	2152	2976	3708	4406	5049	5975	7729	10999	24465

2008	Total	Decile groups									
		I	II	III	IV	V	VI	VII	VIII	IX	X
Consumer expenditures	28878	9132	13433	16316	19398	22536	25824	29585	35254	44165	73124
including											
Food products*	14984	6153	8906	10250	11710	12967	14766	16371	18520	20882	29311
Alcoholic drinks	227	37	50	64	121	142	138	176	318	370	850
Tobacco	1019	408	540	721	796	1054	983	1044	1361	1405	1884
Non food products	4730	670	1110	1535	2156	2727	3607	4720	5850	8413	16508
Services	7918	1864	2828	3747	4615	5645	6330	7274	9206	13095	24571

2009	Total	Decile groups									
		I	II	III	IV	V	VI	VII	VIII	IX	X
Consumer expenditures	27667	8984	13033	15934	18692	21468	24564	28475	33321	41394	70813
including											
Food products*	14145	5715	8220	9730	11139	12504	13525	15586	17145	20347	27541
Alcoholic drinks	238	17	42	64	92	119	183	249	296	463	860
Tobacco	1035	458	542	744	884	1082	1114	1065	1303	1385	1777
Non food products	7955	695	1196	1686	2192	2600	3168	4361	5685	7100	14257
Services	4294	2100	3032	3709	4384	5164	6575	7214	8892	12100	26378

2010	Total	Decile groups									
		I	II	III	IV	V	VI	VII	VIII	IX	X
Consumer expenditures including	28646	9478	13371	16177	18680	21544	24759	28260	33515	42086	77560
Food products*	14844	6124	8495	9962	11338	12753	14197	15611	18382	21942	29672
Alcoholic drinks	272	29	44	72	115	135	161	199	308	584	1074
Tobacco	1009	369	558	694	771	879	1086	1214	1229	1538	1766
Non food products	4439	809	1244	1803	2151	2585	3403	4135	5288	7228	15625
Services	8082	2147	3030	3645	4305	5191	5913	7101	8307	10793	29422

2011	Total	Decile groups									
		I	II	III	IV	V	VI	VII	VIII	IX	X
Consumer expenditures including	32585	10677	15154	18419	21344	24404	27803	32088	37591	47385	90979
Food products*	17184	6716	9530	11373	12935	14302	16590	18630	21150	25115	35486
Alcoholic drinks	245	30	62	67	71	95	149	251	286	500	942
Tobacco	1123	476	689	745	965	1036	995	1311	1351	1629	2031
Non food products	5022	873	1386	2000	2520	2936	3761	4435	5677	7364	19163
Services	9011	2582	3487	4234	4853	6035	6308	7461	9127	12777	33357

Source: ILCS 2004-2011

\*) Including the cost of own production

**Annex 4**

**Table A10.1. Armenia: Number of pensioners and the size of an average pension as of January 1<sup>st</sup>, and types of pensions**

Pension type	The number of pensioners (persons)				Average pension size (RA drams)			
	01.01.2009	01.01.2010	01.01.2011	01.01.2012	01.01.2009	01.01.2010	01.01.2011	01.01.2012
Insurance pension	469747	467555	465084	454488	22556	26056	28647	28701
Social pension	48632	50470	50980	51294	8656	10067	13130	13182
Military pension	10425	9176	8018	6794	17063	19587	19263	14779
<b>Total pensioners<sup>2</sup></b>	523839	522835	520257	509312	21251	24520	27107	27062

<sup>1</sup> Source: RA MLSI

<sup>2</sup> The sum of lines 1. 2 .3 is not equal to the total number of pensioners, as there are pensioners who receive both military and other pensions.

**Table A10.2: Armenia: Probability of receiving the family poverty benefits, 2011**

Independent variables	dF/dx	Standard Errors
Share age 0-5	0.076	(0.006)***
Share age 6-14	0.069	(0.006)***
Share age 15-18	0.064	(0.006)***
Share age 19-25	-0.003	-0.006
Share age 26-45	-0.006	-0.005
Share age 46-60	f	f
Share age 61+	0.006	-0.007
Ln(Household size)	-0.055	(0.010)***
Consumption per adult equivalent	-0.001	-0.01
Age of head	0.001	-0.001
Age of head square	0	(0.000)*
Female head	0.043	(0.010)***
Primary education (head)	f	f
Incomplete Secondary (head)	-0.003	-0.012
Complete Secondary (head)	-0.014	-0.011
Technical (head)	-0.02	(0.011)*
Higher Education (head)	-0.04	(0.007)***
Non participant (head)	-0.004	-0.01
Unemployed(head)	0.013	-0.03
Self-employed (head)	-0.002	-0.008
Other employment (head)	0.002	-0.019
Migrant member	0.021	-0.025
Migrant returned from abroad	0.051	-0.049
Own car	-0.046	(0.006)***
Temporary lodgings	-0.1	(0.042)**
Total land used by household	-0.012	(0.003)***
% land owned	-0.032	(0.019)*
% land irrigated	-0.012	-0.009
Received credit.	0.018	-0.013
Has livestock.	-0.004	-0.007
Yerevan	f	f
Aragatzotn	0.209	(0.071)***
Ararat	0.032	-0.036
Armavir	0.003	-0.027
Gegharkunik	0.043	-0.038
Lori	0.107	(0.054)**
Kotayk	0.043	-0.039
Shirak	0.073	-0.049
Syunik	0.064	-0.048
Vayots Dzor	0.161	(0.072)**
Tavush	0.076	-0.047
LR chi2(39)	681.99	
Prob > chi2	0	
Pseudo R2	0.2488	
Number of observations	4272	

Source: *ILCS 2011*.

Note: *f* – reference category, \* indicates 10 percent significance; \*\* indicates 5 percent significance; \*\*\* indicates 1 percent significance.



**Table A10.3**

## **REPUBLIC OF ARMENIA SOCIAL PROTECTION SYSTEM IN 2011**

Policies implemented in social protection system in 2011 reflected principles established in the RA President pre-election program, the RA Government strategic and perspective programs, and fundamental principles of social equity and protection. The major programs on mitigation of post-crisis situation continued, such as employment, job places, major problems of children and women, in parallel serious steps were taken in the area of pension and disability system reforms and introduction of integrated social services.

In 2011, the Ministry of Labour and Social Affairs developed and submitted to the Government 10 draft laws, of whom 4 were endorsed. In addition, the Government approved 44 Government Decrees, 5 Prime Minister Resolutions and 8 Government Protocole Decisions. 7 normative orders of the Minister of Labour and Social Affairs were formally endorsed.

### **1. Labor Market and Employment**

On December 22, 2010, parliament enacted the law “On Amendments and Supplements in the RA Law on Social Protection in Case of Population Employment and Unemployment”, which came into force on February 5, 2011.

In 2011, the following normative acts ensuring enforcement of this law were developed:

1. February 17, 2011, Government decree N125 “On Amendments and Supplements in May 11. 2006, Government decree N589”;
2. March 9, 2011 Prime Minister Resolution N 174 “On Approval of Measures Ensuring Enforcement of the RA Law “On Amendments and Supplements in the RA Law on Social Protection in Case of Population Employment and Unemployment”;
3. March 3, 2011, Government decree N 196 “On Establishment the Size of Unemployment Benefit”;
4. June 10, 2011, Government decree N 818 “On Amendments and Supplements in the RA Government Decree “On Approval of Regulation for Award or Revision of Unemployment Benefit in Case if New Grounds Emerge”;
5. September 29, 2011, Government Protocole Decision N38 “On Approval of 2012 Government Program on Employment Regulation and Plan of Actions”;
6. June 1, 2011, Minister of Labour and Social Affairs order N48 “On Approval of Procedures on Organization of Employment Fair, Placement of the Unemployed that Have Professional Education Required by the Employer But Lack Professional Experience and Unemployed Disabled Persons Searching for Job”;

Public enhancement of household employment is carried out both through annual state programs on employment, and programs and measures developed in coordination with international donors and other stakeholders.

The following measures were implemented within the framework of 2011 state program on employment:

- 1) payment of family benefits;
- 2) professional training of the unemployed;
- 3) professional training of the disabled that look for job;
- 4) professional training of farmers that look for job;
- 5) training of a new profession for the unemployed with extensive professional experience and persons entitled to special and/or partial pension;
- 6) compensation of expenses of the unemployed transferred to other area and the unemployed disabled persons that look for job;
- 7) compensation of entrepreneurship license fee to the unemployed and disabled persons that search for job;
- 8) partial redress of salary to employers for recruitment of persons that are not competitive in labor market;
- 9) organization of paid public works;
- 10) organization of employment fairs;

- 11) placement of the unemployed that have professional education, but lack professional experience and unemployed disabled persons searching for job;
- 12) provision of the necessary facilities at employer's premises for unemployed disabled persons searching for job;
- 13) organization of labor market research and planning works;
- 14) payment of funeral allowance.

Outcomes on implementation of measures established by 2011 state employment program are as follows:

As of end-December 2011, around 216,000 persons were consulted by regional and territorial employment centers, of which around 12,000 received professional guidance. As of the end of the year, 81,733 were searching for job, of which 69,440 received the status of unemployed.

21,846 unemployed persons were integrated into state employment programs (of whom 320 were included into programs implemented by the international organizations). This is about 26.7% of all persons searching for job; furthermore, 3,979 persons were included into active programs.

From the beginning of the year 10,786 persons searching for job were placed to job, of which 9,378 were unemployed. Within them, the highest share is in the industrial sector, where 19.3% of such persons were placed, followed by trade, repair of vehicles, household appliances and personal commodities (17.0%), construction (13.5%), utilities, social and personal (11.1%).

During the year 21,730 become entitled to unemployment benefit, of which 13,599 are female and 2,247 rural population. According to estimates, the average size of unemployment benefit in 2011 equaled to AMD 18,375 with 10 months average duration of the entitlement.

1,804 persons were included in program "Professional Training" (1,365 unemployed, 118 disabled, 314 farmers searching for job, 7 unemployed receiving pension for long years of professional experience and/or special pension).

148 persons, of whom 4 disabled were included in the program on compensation of entrepreneurship license fee to the unemployed and disabled persons that look for job.

225 persons, of whom 117 disabled were included in the program on partial redress of salary to employers for recruitment of persons that are not competitive in labor market.

11 work places were provided for facilities within the framework of program on provision of the necessary facilities at employer's premises for unemployed disabled persons searching for job.

32 persons were provided with a work in the new area within the framework of program on compensation of expenses of the unemployed transferred to other area and the unemployed disabled persons that look for job.

227 were placed within the framework of program on placement of the unemployed that have professional education, but lack professional experience, and the unemployed disabled persons searching for job.

6 employment fairs were carried out in Vanadsor, Gyumri, Sevan, Ashtarak, Yerevan and Hrazdan within the framework of program on organization of employment fairs, where 267 employers, around 14670 persons searching for job participated. Employers presented 1,318 open and 1,286 planned job places.

102 communities were included within the framework of program on paid public works (17 urban and 85 rural). 105 projects with total volume of 45217 man/days were implemented. During the first 4 months of 2011, 1,197 persons participated in this program. The program was terminated since May 1, 2011.

## **2. Pension Security**

In 2011, a number of legal acts regulating pension security sphere were developed and endorsed, including:

- 1) The RA law LA-243-N "On State Pensions" was approved on December 22, 2010 and came into effect on January 1, 2011. The law was promulgated through Government Bulletin No RAGB2010.12.30/69(803).1.
- 2) The RA law LA-244-N "On Funded Pensions" was approved on December 20, 2010 and came into effect on January 9, 2011. The law was promulgated through Government Bulletin No RAGB2010.12. 30/69(803).1.

3) May 5, 2011, Government Decree No 665-N “On Ensuring Enforcement of the RA Law “On State Pensions”, which came into force on June 9, 2011. The decree was promulgated through Government Bulletin No RAGB 2011.06.08/34(837).

4) May 5, 2011, Government Decree No 668-N “On Establishment of Procedure on Award and Payment of Cash Allowances to Military Servicemen and Members of Their Families: the Size of Cash Allowances by Categories of Persons Eligible for Cash Allowances”, which came into force on June 9, 2011. The decree was promulgated through Government Bulletin No RAGB 2011.06.08/34(837).

5) May 5, 2011, Government Decree No 687-N “On Award of Annual Cash Allowances to Armenians Born Before 1915 (inclusive) in Western Armenia and Other Areas of Ottoman Turkey who Survived the Armenian Genocide and Repeal of December 23, 2004 Government Decree No 1820-N”, which came into force on June 9, 2011. The decree was promulgated through Government Bulletin No RAGB 2011.06.08/34(837).

6) May 5, 2011, Government Decree No 670-N “On Approval of Pension Award Procedure” which came into force on June 9, 2011. The decree was promulgated through Government Bulletin No RAGB 2011.06.08/34(837).

7) February 5, 2011, Government Decree No 166-N “Procedure On Calculation (Recalculation), Establishment and Payment of Monthly Increments to Pensions of Judges; Taking Into Consideration Average Salary and Professional Experience During Calculation of the Monthly Increment and Repeal of October 29, 2004 Government Decree No 1574-N”, which came into force on March 14, 2011. The decree was promulgated through Government Bulletin No RAGB 2011.03.04/14(817).

8) June 10, 2011, Government Decree No 854-N “On Approval of Procedure On Calculation (Recalculation), Establishment and Payment of Pensions and Provision of Necessary Documents for State Officials Who were Disabled or Subjected to 3-rd Category Limitation for Occupational Employment or Died in the Performance of their Official Duties and Repeal of March 24, 2005 Government Decree No 341-N”, which came into force on July 7, 2011. The decree was promulgated through Government Bulletin No N RAGB 2011.07.06/41(844).

9) December 30, 2010, Government Decree No 1734-N “On Establishment of the Amount of Basic Pension, Value of 1 year Professional Experience and the Size of Funeral Allowance”, which came into force on January 1, 2011. The decree was promulgated through Government Bulletin No RAGB 2011.01.19/3(806).

10) December 30, 2010, Government Decree No 1735-N “On Calculation (Recalculation), Establishment and Payment of Pensions Pursuant to the RA Law “On State Pensions”, and Establishment and Payment of Monthly Cash Allowances Pursuant to the RA Law “On Social Security of Military Servicemen and Members of their Families”, which came into force on January 1, 2011. The decree was promulgated through Government Bulletin No RAGB 2011.01.19/3(806).

11) February 16 2011 Government Decree No 113-A “On Approval of Measures for Ensuring Enforcement of the Republic of Armenia Laws “On State Pensions”, “On Funded Pensions”, “On Investment Funds”, “On Amendments and Supplements in the Republic of Armenia Law on Profit Tax”, “On Personified Calculation of Income Tax and Mandatory Social Contributions”, “On Amendments in the Republic of Armenia Law on Social Security Cards”, “On Amendments in the Republic of Armenia Law on Prosecutor’s Office”, “On Amendments and Supplement in the Republic of Armenia Law “On Social Protection of Family Members of the Republic of Armenia President, Deputies of National Assembly, Prime Minister, Government Members, Constitutional Court Members, Chairman of the National Assembly Chamber of Audits and Judges in Case of their Death or Full Loss of Working Capability in the Performance of their Official Duties””, “On Amendments and Supplement in the Republic of Armenia Law on Social Security of military Servicemen and Members of their Families”, which came into force on February 17, 2011.

Pursuant to March 25, 2010, Government Decree No 275-N “On Amendment to June 13, 2003 the Republic of Armenia Government Decree No 707-N”, beginning from November 1, 2010, the basic pension was established as AMD 10,500, instead of former AMD 8,000. During 2011, the Government did not establish new basic pension and annual professional experience rates.

In 2011, the number of registered pensioners totaled 509,312, and average pension equaled to AMD 27,067.

The decrease of pensioners was the result of population emigration, while the decrease of average pensions (at higher basic pension rate) by professional experience pension rate, as the number of disabled persons eligible for social benefits grew (including disabled children), whose professional experience is mainly low.

### **Reforms in pension security sphere**

The first priority of pension security system in 2011 was implementation of pension reforms.

In particular, the RA Ministry of Finance, Ministry of Economy, Central Bank and State Revenue Committee conducted joint work on implementation of measures for introduction of multi-pillar pension scheme.

Pursuant to 2011 Government Plan of Actions, November 13, 2008 Government Decree No 1487-N and February 16, 2011 Prime Minister Resolution No 113-A, the Government developed and endorsed normative acts regulating operation of pension system, as well as developed and endorsed regulations and departmental statutes ensuring operation of voluntary pension security scheme.

Works on development of system on maintenance of pension accounts were also carried out.

In order to improve quality of services provided to beneficiaries, system of payment of pensions through banks was operated. At present, more than 100,000 pensioners receive pensions through banking transfers.

Works were carried out on development of informational infrastructures of pension system.

In particular:

- Territorial offices on pension appointment and civilian acts registration were integrated into a single computer network;
- Government developed and endorsed procedures for automatic reception of information available in other informational systems;
- Software allowing for automatic reception and use of data on passport data and address of households from the state register was introduced;
- Software allowing for automatic reception of data on the death of households from civilian acts registration offices was developed and introduced;
- Centralized pension system database was created, which will be piloted and introduced during 2012.

These measures have strongly reduced corruption risks, chances of deliberate and accidental errors, and helped in settling problems which occurred during the year.

In 2011, the RA law “On Amendments and Supplement in the Republic of Armenia Law “On Temporary Disability Benefits” was developed and endorsed, which settled problems related to appointment and payment of temporary disability benefits. Furthermore, the RA government decree “On measures to Ensure Enforcement of the Republic of Armenia Law “On Temporary Disability Benefits”” was enacted.

### **3. Social Protection**

**System of Public Benefits (cash allowances).** Public benefits are assigned and allocated in accordance with provisions of the RA law “On Public Benefits” as a separate form of cash allowance defined by Article 10 of the RA law “On Social Assistance”. The respective procedures and peculiarities, as well as the size of benefit are established by the government. Assignment and allocation of public benefits, including family benefit, child care benefit, childbirth lump-sum allowance, benefits to the families of deceased national heroes of Armenia is carried out by territorial social service institutions (hereinafter TSSI), which are independent branches of state or territorial government.

System of public benefits as an instrument for elimination of extreme poverty needs revamping in order to solve the problem of alleviation of general poverty and enhancing formation of sound families. Social policies will be directed to prevention of migration from border and highly mountainous regions and increasing social activity of their population, which will result in reduction of social inactivity.

#### **Family Benefit and Lump-Sum Allowance**

The problem of raising targeting of family benefit program was always viewed as major challenge of social assistance sector, therefore measures in this area were mainly carried out in 4 directions: (i) change in procedure for assessment of family poverty; based on ILCS results: (ii) improved administration; (iii) training of staff of territorial administration; and (iv) public outreach.

Reforms in the system of family benefits were implemented in line with the strategic directions of the PRSP and SDP and results of the annual ILSC, by revising poverty assessment procedure:

Eligibility for family benefit is determined through the family vulnerability score, which is calculated in accordance with the procedure for family vulnerability test as approved by the Government Decree No 2317- N of December 29, 2005. According to that procedure, a number of indicators are used for testing family vulnerability, including the social group of each household member, the number of household members incapable to work, the domicile, 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 aggregated indicator of family average monthly income includes salaries and other compensations to members of families, pensions, unemployment benefits, as well as income from farming. From The 2011 score for eligibility to family benefit became equal to 30.

Pursuant to December 23, 2010 Decree No 1763-N, the government introduced a mechanism for the on-line transfer of necessary data in family benefit system from January 1, 2011, which allows to determine composition of a family based on data received electronically from the RA Family State Register. In parallel, all necessary data can be obtained in on-line regime from the Ministry of Justice Agency of Civil Acts Registration. These measures have resulted in a reduced number of references submitted by citizens.

In addition, the said decree provides a completely new procedure for calculation of income from livestock and farming.

If a family owns one type of livestock, whereby the number of livestock is within the limits set by the government for each type of livestock, then income from livestock is not included in calculation of total monthly family income.

If a family owns more than one type of livestock, or total number of livestock is above the established limit, calculation of total family annual income includes only part of annual income exceeding AMD 150,000.

Furthermore livestock and farming income is not included in calculation of family income for households living in different border areas of Armenia, including Tavush region villages of Chinar, Aigedsor, Aigepar, Paravakar, Nerkin Karmir Aghbyur, Mosesgegh, Kayan, Vazashen, Aygehovit, Azatamut, Sarigyugh, Berkaber, Tsaghkavan, Kirants, Berdavan, Dovegh, Berekamavan, Koti, Voskevan, Voskepar, Baghanis, Vayots Dsor region villages of Bardruni, Khndzorut, Khachik, NorAznaberd, Ararat region village of Yeraskh, and Gegharkunik region villages of Vahan, Jil, Ttujur and Artanish.

One of the major changes in 2011 family benefit program resulting from creation of a consolidated system of cash benefits for a separate group of population within the framework of pension reforms is repeal of the provision according to which all families of persons who died in the defense of Armenia were automatically eligible to family benefit, irrespective of the level of their income. Under the new scheme, if a family of person who died in the defense of Armenia retains its status, it, naturally, remains eligible for family benefit. Note, however, that number of such families is much lower than it was before introduction of the new scheme. This measure again pursues the objective of increasing targeting of family benefits.

Modifications in the Family Benefit Program over the last years had impact on the number of eligible households registered in the family vulnerability test, as well as on the number of such eligible households having children. The dynamics of modifications are presented below.

**Table 1. Family Benefit Program in Armenia, 2007-2011**

	2007	2008	2009	2010	2011
Registered families (percent of the total number of families in Armenia)	22.14	21.54	19.16	17.11	14.91

	2007	2008	2009	2010	2011
Beneficiary families (percent of the total number of registered families )	72.29	73.25	73.4	78.77	78.94
Beneficiary families (percent of the total number of registered families )	16.24	15.77	14.0	13.50	11.77
Families with children (percent of the total number of beneficiary families )	75.90	76.34	81.19	78.28	78.07
Funds allocated from the state budget of Armenia (AMD billion)	26.407	29.388	32.324	31.022	35.497
Number of beneficiary families	124689	121160	107493	105005	91575
Average amount of benefit (AMD)	17500	21100	23560	26850	26850

Similarly to previous years, number of families included in the system and eligible for benefit was reduced. However, in case of tackling this issue within the context of increased poverty level during 2008-2010, makes dubious cutting the number of eligible families.

As one can see in the table, among beneficiary households the share of those having children has been increasing, which is in line with the state policy in that area; that is prioritizing children in the provision of social assistance.

Note however that in 2010-2011, share of families with children within benefit receiving families decreased respectively by 0.83 and 0.2 percentage points over the previous year. This can be explained as impact of measures aimed at improving benchmarking of the program, such as identification of those who did not disclose their work or understated real size of their income.

Given that majority of persons not disclosing job or understating real income are young, the share of families with children within families disqualified for benefit was high.

During 2011, government continued works on increasing allocation of family benefits to the most poor families, families with many children, and families leaving in highly mountainous or border areas.

Size of family benefit is determined by adding to basic benefit increment for each family member below 18 years of age (child), whereby the size of the increment is dependent on the poverty score of the family, place of residence and number of children in the family.

Compared to 2010, 2011 statistics on basic amount part of family benefit, increments to children and the size of lump sum family benefit remained unchanged.

There are three levels of increments: (i) for score ranging between 30.01-35.00; (ii) 35.01-39.00; and (iii) 39.01 and higher. Increments for each range are different from each other by AMD 500 and the higher is the poverty score, the higher is the increment.

Size of increment to poverty score within each range is also different, thus increment for children of families living in highly mountainous area is by AMD 500 more and if there are 4 or more children, increment per children is higher by AMD 1,000.

As a result, base benefit for the first 4 months of 2010 was set at the level of AMD 10,000 and starting from May it was increased to AMD 13,500. Size of increment during 2010 is between AMD 5,000-8,000. Benefit for families without children is equal to AMD 13,500 (AMD 10,000 in the first 4 months of 2010), whereas size of benefit for families with children depends on poverty score, number of children and place of residence of the family.

During 2011, average monthly family benefit was equal to AMD 26,850 (AMD 26850 in the first 4 months of 2010).

The law “On Public Benefits” sets clear criteria for the assignment of lump-sum family allowance such as birth of a child in a family eligible for family allowance, entering the first grade of school, and for funeral expenses in case of death of a family member (except for pensioners, employers and persons with at least one year insurance record). Size of family benefit for childbirth is set as AMD 50 thousand, for entering school AMD 25 thousand, and for funeral of a family member AMD 50 thousand.

TSSI, in coordination with social assistance council, may allocate urgent quarterly aid to a family registered in the system, but not eligible for benefit, which is in extreme hardship. Decision on allocation or rejection of urgent is taken at quarterly reviews. Size of such aid is equal to the size of basic benefit, i.e. AMD 13,500 for 2011.

During 2011, measures for improving targeting of family benefit system were implemented, e.g. data base of family benefit system was aligned with a number of other relevant sources of information. Subsequently, families which were not qualified for benefit were removed from the system and in December 2011 their number was reduced to around 84 thousand families against 102,000 families as of January 2011 (during 2011, out of 120 thousand families registered in the family poverty system, in average 92265 families, or 76.9 percent received benefit each month, whereas 10,363 families or 8.6 percent received urgent aid, whereby the average size of benefit was AND 26,850). 4,501 families received lump-sum allowance for child birth, 8,608 for child school enrollment and 150 for funeral of a family member.

### Lump-Sum Childbirth Allowance

**Table 2. Armenia: Number of Live Births by Birth Sequence** (source NSS)

	2007	2008	2009	2010	2011	2007
<b>Total</b>	37639	40105	41185	44413	44825	43340
<b>3-rd child in family</b>	3758	4263	4520	5289	5683	5369
<b>4-th child in family</b>	705	708	761	849	929	899
<b>5-th and successive children in family</b>	304	332	342	372	378	351
<b>3-rd and successive children in family (total)</b>	4767	5303	5623	6510	6990	6619

According to NSS data, in 2011, number of births totaled 43,340, which is by 3.3% less than in 2010.

Starting from 2009, size of the allowance was differentiated depending on the number of children born in the family. Allowance for the birth of the first and the second child was set as AMD 50 thousand, and for the third and each next child as AMD 430 thousand. These rates remained unchanged in 2010.

**Table 3. Number of Child Birth Allowance Beneficiaries and Total Public Spending**

Years	2009	2010	2011
<b>Number of births (in Armenia)</b>	44466	44810	43340
<b>Allowance beneficiaries</b>	45823	43033	38724
<b>Total spending (AMD thousand)</b>	5,067,585.0	4,719,455.0	4,271,800.0

### Allowance for up to 2 years children

According to “Law on Public Benefits”, persons, who pursuant to Labor Code are on birth leave for caring of up to 3 years old children, are eligible for child allowance till the child reaches 2 years age. For a number of years, this allowance was very small, AMD 3,000, and in 2009 it was raised by six times, equaling to AMD 18,000. This step had a significant impact on subsequent growth of the number of beneficiaries (59.0% - 2009, around 8% - 2010 and 25.23% - 2011).

Compared to 2008, in 2011 total spending on this allowance grew by around 13.29 times.

**Table 4. 2008-2011 Number Beneficiaries of Allowance for up to 2 Years Children and Total Public Spending**

	2008		2009		2010		2011	
	Beneficiary (child)	Spending (AMD ths.)	Beneficiary (child)	Spending (AMD ths.)	Beneficiary (child)	Spending (AMD ths.)	Beneficiary (child)	Spending (AMD ths.)
<b>Total</b>	4489	219,807.0	7140	1,862,427.0	8058	2,568,462.0	10777	2,923,974.0

Strong growth of financing for these two allowances (**Lump-Sum Childbirth Allowance; Allowance for up to 2 years children**) in the last three years was the result of the increased size of benefits and higher number of beneficiaries. Higher number of parents eligible for child care allowance may partly be the result of the global crisis, e.g. being on leave allows a parent to avoid from redundancy cuts, since it is prohibited to dismiss such parent for three years.

### Reforms in Social Protection Sphere

The issue of improving targeting in different areas of social protection, especially family benefits, remains a top priority.

The basis for eligibility to family benefit is the family poverty level. However, improving targeting remains an intricate issue for a country where the share of informal economy is high, given that decision on eligibility depends on indirect indicators, which in turn requires strong administration capacities in order to prevent bias.

The share of extremely poor households is still low, which can be explained by such factors as passive stance of poor households, lack of confidence towards public authorities and inadequate awareness raising programs.

From this point of view it is important to take further steps in order to identify and register in the system such families through awareness raising campaigns, visits to households, etc.

Analysis reveals that all three types of family benefits which are currently established in Armenia are mostly provided to families with children.

The RA Government plan of actions prescribes for bringing the public benefit system in line with the European with norms established by the EU legal norms, which means that steps should be taken in order to ensure convergence of the Armenian system with the European standards, according to which family benefit is intended for families with children. However, transfer to such system, should not exclude the system of cash support to poor families lacking children.

Currently, the government explores the possibility of introducing radical reforms in cash assistance policies within the context of the strategy on sustainable development of labor and social protection sector, as a result of which the new scheme would include the following public benefits: family benefit; poverty allowance, lump sum for child birth (future capital for families with many children); and targeted cash assistance, such as support to families with disabled child, and apartment allowance.

In parallel, the issue of providing portfolio of social services is emphasized. Rendering integrated social services is a perspective way to enhance their quality and availability, improve customer care, and increase effectiveness of assessment and monitoring and the efficiency of the overall process.

The process of introducing the new system requires significant time and efforts, therefore it should be implemented on a stage by stage basis and embrace different areas of administration. Substantial work on elaboration of new legislative field should be performed in order to clarify the scope of powers at each level, identify new directions for mutual work, and design new mechanisms and their criteria.



**Table 5. 2009-2012, Basic Family Benefit, Increments and Lump Sum Allowance**

		2009	2010	2011	2012
Threshold		30.00	30.00	30.00	30.00
Basic Family Benefit		10000	10000	13500	16000
Basic Family Benefit from May 1, 2010			13500		
Increment to each family member than 18 years					
	5500	5500	5500		
	6500	6500	6500		
	6000	6000	6000		
	7000	7000	7000		
	6000	6000	6000		
	7000	7000	7000		
	6500	6500	6500		
	7500	7500	7500		
	6500	6500	6500		
	7500	7500	7500		
	7000	7000	7000		
	8000	8000	8000		
Urgent support		10000	10000	13500	13500
Urgent support from May 1, 2010			13500	13500	13500
Lump Sum Allowance, including:					
At child birth		50000	50000	50000	50000
For the 3-rd and successive births		50000	50000	50000	50000
At entering elementary school		25000	25000	25000	25000
At family member death		50000	50000	50000	50000
Public spending / AMD billion		32.324	31.022	35.497	35.497
Average benefit size		23560	23350	26850	26850
Average benefit size from May 1, 2010			26850		
Beneficiary families (program)		114000	110700	110159	110159
Beneficiary families (actual)		107492	105005	91575	x

#### 4. Social Protection

##### Disabled and Old Age

Pursuant to 2006 UN Convention on Rights of Persons with Disabilities and 2006-2015 Strategy on Social Protection of Persons with Disabilities, works on integration of disabled persons into society continued in 2011.

Measures implemented in the social security sphere were aimed at integration of disabled persons into society, establishment of equal rights and opportunities, creation of available environment for persons with disabilities in all spheres of society life, implementation of rehabilitation, educational, social, health and employment projects, provision of prosthesis and rehabilitation means as well as other services.

On September 29, 2011, the government approved protocol decision 38-N “On Approval of 2012 Annual Program and Plan of Actions on Social Protection of Persons with Disabilities”, furthermore on December 8, 2011 the government endorsed at Cabinet Session decree “Concept on Introduction of Model for Establishment of Disability Based on Loss of Working Ability and Time-Table of Measures for its Implementation”.

In 2011, the draft law “On Protection of Rights and Social Integration of Persons with Disabilities” was developed.

As of December 31, 2011, 176,506 persons with disabilities were registered in the respective database.

During 2011, for the first time 16, 861 persons with disabilities were examined, as a result of which disability of 15,363 persons (91.1%) or 8.7% of all registered persons with disabilities was confirmed. Among them, 5.6% were

qualified as 1-st category disabled, 37.6% as 2-nd category, 50,6% as 3-rd category and 6,2% as “children with disability”. The number of preliminary rejections grew by 1,0% over the previous year, totaling 7.0%.

During 2011, 73,379 persons were examined by socio-medical expert group, including 3,095 persons below 18 years. Among them, the number of persons who were re-examined totaled 56,649 (including 2,018 persons below 18 years). Out of all examined persons 70,316 (96%) were qualified as having disability. The number of rejections grew by 0.3% over the previous year. During 2011, a number of programs aimed at ensuring equal opportunities and enabling social integration of persons with disabilities was implemented. In particular, they received prosthesis and rehabilitation means, socio-medical and psychological rehabilitation, several programs were carried out for people with hearing and visual problems. etc.

In 2011, 970 persons with disabilities receive rehabilitation treatment, 15,318 prosthesis and rehabilitation apparatuses were distributed, 90 persons received eye prosthesis and 100 received sound reproducing apparatuses, 1142 sound reproducing apparatuses were provided, of which 122 were produced in Europe, 479 persons received wheel-chairs, other support items were provided as well. 10 persons with visual problems passed training with “Arev” software and were granted with computers. Books, note books, and bulletins with Braille system were printed and “speaking” books were published.

All the implemented activities were aimed at social integration of persons with disabilities in order to ensure their comprehensive involvement in all spheres of social and civil life.

The major goal of state policy for old age persons was to improve the quality of life of persons leaving alone, and those in need of care or shelter.

Within the framework of program “Care Services for Persons Above 18 Years” the following activities were implemented in 2011:

- **Day care services for elderly**

Day care services for elderly people living alone and people with disabilities were provided by four nursing homes under the Ministry of Labor and Social Affairs: No 1 in Yerevan, Nork, Vardenis and Goris. Care expenses on 1,090 pensioners living in nursing homes are fully covered by state.

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

Care and social service under this program was provided by NGO “In-House Social Service for Single Elderlies and Persons with Disabilities” under the Ministry of Labor and Social Affairs, which provides services to 1,500 such persons in Yerevan.

- **Mental health day care services for disabled persons**

In 2011, daily center of mental support affiliated with Vardenis psychiatric hospital provided support to 50 persons with mental problems and their families.

- **Providing temporary shelter for homeless people**

In 2011, temporary hostel for homeless people serviced 60 persons.

- **Social services provided in regional day care services for single elderlies and persons with disabilities**

Salaries of personnel working in 8 regional branches of charity organization “Mission Armenia”, servicing 4,200 single elderlies and persons with disabilities were, financed from the state budget.

- **Daily Care and Social Services for Elderlies in Vanadsor Nursing Home**

In 2011, 55 pensioners were serviced in Vanadsor Nursing Home.

- **Lump-sum compensation for the harm caused to repressed persons**

According to the RA law “On the Repressed Persons”, repressed people were entitled to lump sum allowance equal to 12 times basic salary (AMD 12000 thousand). This compensation is allocated only once and exclusively to persons which have the status of repressed.

- **Children**

Within the framework of reforms in this area, the government set as a priority for 2011, reduction of the load in orphanages, in order to assert children's right to live in family.

To this end, the Ministry of Labor and Social Affairs developed program "On Types of Institution Providing Children Care and Criteria for Placement of Children and Amendments and Supplements to December 26, 2002 Government Decree No 2179-N", which was approved by June 2, 2011 Government Decree No 804-N.

In order to ensure implementation of October 13, 2011 protocol decision 14.7/ /91675/-11 of the Social Committee, the Ministry of Labor and Social Affairs issued November 12, 2011 order 98-AU/1 on introducing amendments in Charter children home "Yerevan "Zatik".

According to the new charter, the institution will implement till 2014 the following activities:

- 24 hour care after 14-18 years old children without parental support;
- Up to 6 months 24 hour care after 3-17 years old homeless children who are in difficult life situation;
- Daily care after 6-18 year old children in Yerevan who are in difficult life situation.

With the view to providing apartments to persons with apartment problems who take care of children without parental support, pursuant to March 31, 2011 Government decree 341-N "On Authorization of the Ministry of Labor and Social Affairs", the Ministry of Labor and Social Affairs provided 6 apartments in Mush-2 district of Gyumry, in accordance with July 23, 2003 Government Decree No 983-N "On Approval of Procedure on Allocation of Apartments to Children without Parental Support".

One of the major achievements in 2011 was the Agreement signed on December 28, 2011 between the Republic of Armenia and the European Union on financing of the program "Armenia: 2010 Food Security Program".

According to its obligations under the agreement, the Ministry of Labor and Social Affairs implemented a number of measures, including creation of Ministerial Panel for development of 2012-2016 national children protection strategy, and revision of the Charter of National Committee for Protection of Children Rights.

The Panel developed 2012-2016 national children protection strategy and revised the Charter of National Committee for Protection of Children Rights.

In order to enhance efficiency of trusteeship and guardianship bodies and committee, on February 24, 2011 the Government approved decree No 164-N "On Approval of the Charter of the Trusteeship and Guardianship Committee and repeal of June 22, 2006, Government Decree No 922-N".

September 13, 2011 order of the Minister of Labor and Social Affairs No 69-A/1 enacted "Methodological Guidelines on Activities of Trusteeship and Guardianship Committees under Trusteeship and Guardianship Bodies", which was circulated among all trusteeship and guardianship bodies.

In coordination with the Armenian office of World Vision international charitable organization, in 2011, the Ministry of Labor and Social Affairs implemented program on reloading children care and protection institutions and orphanages, within which 46 children returned to their families and entrance of another 250 children to these institutions was prevented.