

**QUARTERLY TASK ORDER  
PROGRESS AND  
COST REPORT**

**OCTOBER TO DECEMBER  
2001**

**ARMENIA EARTHQUAKE ZONE  
PILOT HOUSING CERTIFICATE  
PROGRAM**

Prepared for



Armenia Earthquake Zone Pilot Housing Certificate Program  
United States Agency for International Development  
Contract No. EEU-I-00-99-00015-00, Task Order No. 804

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Cost Report

## QUARTERLY TASK ORDER PROGRESS AND COST REPORT

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### ARMENIA EARTHQUAKE ZONE PILOT HOUSING CERTIFICATE PROGRAM

**Task Order No.:** EEU-I-00-99-00015-00, Task Order No. 804

**Date of Issuance:**

#### **Task Order Description**

In March 20, 2000, United States Agency for International Development (USAID) contracted the Urban Institute (UI) to implement a Pilot Housing Certificate Program. The project is designed to provide permanent housing for people still displaced by the 1988 earthquake that devastated Armenia, and builds on strategies previously developed by the Urban Institute, with support from USAID and the World Bank, and approved by the Government of Armenia (GoA). The strategy involves issuing certificates to displaced households, which can redeem the certificates to purchase proper housing, and removal of temporary shelters that housed displaced people. The project is geographically oriented, so the beneficiaries all were located in the same areas in the city of Gyumri.

In January 2001, USAID extended its contract with the UI to provide funds for the provision of additional housing certificates for residents of another location. This contract extension, or amendment, is referred to as the Bridge project or Bridge site. The Pilot project provided certificates to 225 households, and the Bridge project so far has provided certificates to 87 households.

<b>Amount Obligated Under Task Order:</b>	\$1,998,905
<b>Total Potential Task Order Amount:</b>	\$1,998,905
<b>Dollars Expended To-Date:</b>	\$1,969,672

#### **Progress Report**

As required by Section F.5 of the Local Government Contract, below is a description of progress during the last quarter.

#### **Work Performed During Previous Quarter**

During this reporting period, the Urban Institute monitored site clearance and program completion.



## Status of Housing Certificates

**Pilot**—As of December 2001, all certificates issued under the task order were redeemed or expired. Out of 317 certificates issued, 302 purchased permanent housing through the program, five were permanently housed through a different donor-funded housing program, two returned to their pre-earthquake housing (which was reinforced by the government during the program period), one will be re-issued a certificate under the new EQZRP program, and seven expired without purchasing housing.

Table 1 represents summary statistics for the program as of December 31, 2001.

**Table 1**  
**Summary Statistics**

Certificates Issued:	317
Certificates Cancelled or Expired:	15
Sales Agreements Notarized:	302
Titles Issued:	302
Handover (Agreement between Buyer and City) Signed:	275
Domocs Removed/Municipal Assets Vacated:	289

In total, 100 certificate holders negotiated a price for permanent housing that is less than the total value of their certificates. Such remainders accounted for only 5.4 percent of the money transferred to beneficiaries; that is, of the US dollar \$977,682 transferred to certificate holders' blocked accounts from USAID/GoA funds, remainders accounted for about US dollar \$52,795.

## Significant Findings and Delays

Ninety-five percent of participating households were able to locate and purchase appropriate housing within six months. Households who failed to purchase housing had specific requirements that the program could not meet. For the most part, these were very large households, who could not purchase enough living space with the certificate (the largest certificate size was for a five-room unit). One or two households had other needs, such as remaining in the center of the city in order to be located near a sick relative. Since the certificates were priced to allow beneficiaries to purchase an average apartment, values did not match the prices in the most desirable locations and could not be used to purchase in the center without the addition of funds from the beneficiary.

The Gyumri Municipality was not able to remove all domocs within the timeframe of the program. As reported by the Municipality, delays were generally either due to the technical difficulty of removing the domoc or to the household's unwillingness to vacate the domoc.



**Work Planned for Next Reporting Period**

Under the no-cost extension, UI will complete and submit the final paperwork to USAID.

**Specific Action Requested**

None

**Up-To-Date Schedule of Work**

Activities under the no-cost extension are expected to continue through January 2002.

**Key Personnel**

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**ATTACHMENT**

**Cost Report**