

Quarterly Report
October 1, 2007—December 31, 2007
Social Protection Systems Strengthening in Armenia
Contract No. 111-C-00-06-00067-00

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USAID ARMENIA, SOCIAL PROTECTION SYSTEMS
STRENGTHENING PROJECT

ԱՄՆ ՄՁԳ ՀԱՅԱՍՏԱՆ, ՍՈՑԻԱԼԱԿԱՆ ԴԱՇՏՊԱՆՈՒԹՅԱՆ
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Implemented by: The Services Group, Inc. (TSG)
Contract Number: 111-C-00-06-00067-00

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Submitted to: USAID/Armenia

Submitted by: The Services Group, Inc. (TSG)

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ABBREVIATIONS

AED	Academy for Educational Development
ARS	Armenian Relief Society
AUA	American University of Armenia
CASP	Civic Advocacy Support Program
CBA	Central Bank of Armenia
FAR	Fund Armenian Relief
FB	Family Benefit
GOAM	Government of Armenia
IALI	International Association of Labor Inspectorates
ICHD	International Center for Human Development
IEC	Information, Education, Communication and Public Relations
ILCS	Integrated Living Conditions Survey
ILO	International Labour Organization
IMF	International Monetary Fund
IT	IT and Administrative System Design
IZZ-DVV	German Adult Education International Project
LGP	Local Government Program
LI	Labor Inspectorate
MLSI	Ministry of Labor and Social Issues
MOF	Ministry of Finance
MOU	Memorandum of Understanding
MTA	Ministry of Territorial Administration
MTED	Ministry of Trade and Development
NILSR	National Institute for Labor and Social Research
NGO	Non Governmental Organization
NORK	Information-Analytical Center “Nork”
NSS	National Statistics Service
OSH	Occupational Safety and Health
PARNAS	Personal Account Registration, Numbering and Analysis System
PAYG	Pay-As-You-Go
PWG	Pension Working Group
RFP	Request for Proposal
RSSA	Regional Social Service Agency
SESA	State Employment Services Agency
SLI	State Labor Inspectorate
SMEC	State Medical Examination Commission
SIDA	Swedish International Development Agency
SSIF	State Social Insurance Fund
STTA	Short-Term Technical Assistance
TBD	To Be Determined
UMBA	Union of Manufacturers and Businessmen of Armenia
UNDP	United Nations Development Programme
UNFPA	United Nations Fund for Population Armenia
UNICEF	The United Nations Children's Fund
YCAP	Youth and Community Action Program

INTRODUCTION

The Social Protection Systems Strengthening Project (SPSS) aims to improve public and private social protection systems in Armenia and, at the same time, increase opportunities for self-reliance that reduces dependence on public support to meet citizens' basic needs. To achieve this, SPSS is providing technical assistance and support for capacity building, training, commodities, and public education to select public and private sector entities. SPSS activities fall under four main components:

- Social Insurance
- Employment Services
- Occupational Safety and Labor Code
- Social Assistance

These components are supported by the following crosscutting activities: information, education, communication and public relations; policy, regulatory, and legislative drafting and promotion; IT and administrative design; IT and other commodity procurement; anti-corruption initiatives; gender; monitoring and evaluation (M&E); sustainability strategies; and grants management.

This report covers the first FY08 quarter of the project's activities from 1 October through 31 December 2007.

Counterparts. The Ministry of Labor and Social Issues (MLSI) is a primary counterpart for the four project components. The project has established a close working relationship with relevant implementing departments and agencies in MLSI. A framework agreement, reflecting the MLSI's work plan for SPSS, was adopted jointly in March 2007 by the project and MLSI after a series of collaborative iterations. This framework has had additions, a construction project, for example, and some deletions, but essentially remains intact as the basis for monthly planning with MLSI counterparts. The initially weekly working group, chaired by Deputy Minister Araik Petrosyan, is now convened on an ad hoc basis at MLSI to provide review of progress by components as needed. A similar agreement to cooperate with the State Social Insurance Fund (SSIF), soon to become the State Social Security Service (SSSS), was executed 18 December 2007. The project has simultaneously established relationships with a number of other relevant agencies and working groups, including the CBA, the Government Pension Working Group (PWG), the National Institute for Social and Labor Research (NILSR), the NORC Information Analysis Institute, the State Employment Services Administration (SESA), the State Labor Inspectorate (SLI), the National Statistics Service (NSS), the Ministry of Trade and Development (MTED), the Ministry of Territorial Administration (MTA) and a large number of NGO partners.

Financial Update. After the slow start caused by a stop-work order, expenditures are catching up to the expected burn rate. In addition to technical assistance, the project has begun a major activity concerning the renovation of the National Institute of Labor and Social Research. It is anticipated that the project will meet the year two total budget figure in contract modification #2. Please see Appendix 1 for current financial data.

Structure of the Quarterly Report. The following sections of this report discuss activities undertaken for the four project components in detail. Each section follows the Year 2 Work Plan, providing the status of activity and sub-activity. Sub-activities not mentioned are scheduled to be undertaken at a later date. The section immediately following presents highlights from the quarter in each component area.

QUARTERLY HIGHLIGHTS

General

This quarter, each component made progress in achieving objectives, including:

- Presenting the Pension Model to government counterparts and an extensive training held at the end of the quarter for policymakers on how to use the model.
- A study tour for policymakers to Sweden and Estonia on pension administration and policy.
- Training of 51 local employment staff on interview skills and methods for conducting the Employer Survey through SESA.
- Presented the Labor Inspectorate with a pilot version of an Access database for storing and searching inspection records.
- Organized and executed a study tour to Lithuania for top managers of the MLSI on social protection strategies.
- Renovating the National Institute for Labor and Social Research, which began in November.

Component One: Social Insurance Highlights

- Assistance to the MLSI and the NILSR on current pension policy: completion of second draft of analytic report on the current status of the pension system: *“Towards Zero and First Pillar Reform in Armenia: Current Situation, Trends and International Experience.”* The paper was originally delivered in Armenian to MLSI on July 23; comments were received in September, it was revised in October and completed in November. Formal delivery to MLSI took place on December 5.¹
- Presentations of the SPSS Pension Model and of several scenarios derived from it to PWG, MLSI, NILSR and the American Chamber of Commerce in October.
- Technical Assistance to the GOAM Pension Reform Working Group (PWG) in the following respects: 1) development of sections for the Pension White Paper on first pillar pensions, state pension management systems, and voluntary pensions; 2) modeling pension reform options and analysis of the economic implications of pension reform, and 3) translation and administrative support for PWG operations and communications.
- Study tour to Sweden and Estonia November 17-27.
- Training provided on the SPSS Pension Model December 10-21.

Component Two: Employment Services

- Reviewed the strengths and weakness within each of five surveys previously commissioned by SESA.
- Designed a matrix to be used by MLSI staff for reference and development of the National Social Assistance Sector Strategy as well as review labor policy and or legal changes.
- Researched the National Employment Strategies of 10 EU or CIS countries to seek out best practices on rural labor markets. A brief paper is being developed outlining key findings highlighting strategic and Employment Law adjustments that can be undertaken in Armenia.
- A Labor Market Trends and Challenges Conference successfully gathered high level representative from five Ministries and other public and private organizations. The Minister of Labor and Social Issues and the Minister of Trade and Economic Development were featured speakers.
- Fifty-one Local Employment staff, one from each of the local offices, attended one day training on interview skills and methods before implementing the Employer Survey.

¹ SPSS_FY08Q1_Nov30_MLSIPaper_eng.pdf and SPSS_FY08Q1_Nov30_MLSIPaper_arm.pdf

- Program Performance measure concepts were introduced and a working group comprised of SESA, MLSI and NILRS staff will through consensus establish measures and indicators for programs.
- Preliminary discussions and decisions were made regarding the renovation of three employment offices (two regional and one local) by SPSS. These renovations will be used as pilot offices introducing new active measure programs and services. Another five local employment offices will be renovated as part of the USAID partnership with the CHF BRIDGE project, which includes using vocational training of unemployed as key principle for job creation during the renovation process.
- Two new Active Measures Job Fairs and Job Clubs have been successfully introduced.

Component Three: Occupational Safety and Labor Code

- A pilot version of Access database was presented to the Labor Inspectorate in December.
- Employer handbook on OSH safety and implementing it in Armenia produced and printed.
- Roundtable on data issues and introducing risk-based enforcement held at SPSS Project on December 19, 2007.
- Two-day seminar for inspectors on international best practices at National Institute for Labor and Social Research (NILSR) on December 17 and 18, 2007.
- SLI admitted to the International Association of Labor Inspectorates (IALI).
- Analysis of international inspectorate coordination created and posted on SPSS website, along with a paper on how to implement coordination in Armenia.

Component Four: Social Assistance

- Organized a study tour for MLSI top managers and policy makers on social protection strategy to the Lithuanian Ministry of Social Issues as part of the MLSI effort to produce the government's Social Protection Strategy by the end of 2007.
- Organized Roundtable on Legal framework of Community Social Planning
- Participated in the organization of the Disability International Day on 3 December, aimed to promote understanding of disability issues and mobilize support for the dignity, rights and well-being of persons with disabilities.

1. COMPONENT ONE: SOCIAL INSURANCE

Component One has continued to support the counterparts in developing a detailed pension reform program reflecting all available data. The support consists of policy analysis, economic and demographic modeling and administrative support. The principal activities of this quarter addressed the needs of the MLSI and the NLSRI as well as the Pension Reform Working Group (PWG) convened by the Government of Armenia (GOAM). The project has modeled the economic and demographic condition of the social insurance system, provided materials drafted for the PWG White paper, organized study tours, provided translations of research materials, and other administrative support.

1.A Advise on the establishment of a multi-pillar pension system

1.A.1. Finalize design structure and parameters of pension reform and propose an action plan.

- Completed revisions of paper analyzing current pension system requested by MLSI, with discussion of problems and solutions, using the SPSS Pension Model Draft paper “*Towards Zero and First Pillar Reform in Armenia: Current Situation, Trends and International Experience.*” The paper was delivered in Armenian and English on December 5, 2007 and the SPSS Project requested comments to be delivered by December 31, 2007.
- Provided materials for the White Paper on pension reform for the PWG addressing specific chapters as requested: on first pillar (solidarity) pensions,² voluntary pensions,³ and the management of the state pension system.⁴
- MLSI requested on December 13, 2007 project recommendations on zero and first pillar pension systems. A summary of project recommendations, relying on calculations delivered November 30 and including other materials, was presented to the MLSI on December 16, 2007.⁵
- Analysis of impact of reform proposals to the current pension system through further development of the SPSS model. Findings incorporated into the paper.
- Macroeconomic issues relating to the introduction of a funded pillar were analyzed in the previous quarter, and that work was revised further throughout October in light of the revised results obtained in the SPSS model. Macroeconomic analysis delivered to PWG and to FSDP project.⁶

1.A.2. Write draft report with analysis and recommendations, including a concept paper.

- SPSS Staff is engaged in ongoing revision of inserts to PWG White Paper. Initial draft delivered to PWG July 13. Additional materials provided in August. Revisions and additional materials were provided in September and October as noted above.
- Conducted meetings with PWG and IMF concerning August 8 reform proposal to clarify international perspective comments.
- Translations provided of materials submitted in English in October for the white paper being drafted by the PWG.⁷
- Meetings with PWG coordinator to discuss additional materials to be provided in December on the management of the pension system and on information strategy. SPSS Project Paper on information strategy delivered.
- PWG informed SPSS that a draft white paper will be delivered December 17, discussed with the steering committee on December 21, and with the full working group December 24. These will be closed sessions without the international advisors. PWG Coordinator indicated translations would be made available soon and that the comment period would be in January.

² SPSS_FY08Q1_Oct3_ChapterVWhitePaper_eng

³ SPSS_FY08Q1_Oct3_ChapterVIIIVolPenWhitePaper_eng SPSS_FY08Q1_Nov26_ChapterVIIIVolPenWhitePaper_arm

⁴ SPSS_FY08Q1_Oct8_ChapterVIISysMangtWhitePaper_eng

⁵ SPSS_FY08Q1_Dec16_MLSI Recoms_0&1Pillar_eng

⁶ SPSS_FY08Q1_Nov14_FinMarketBoPMacroImpactWP_eng and SPSS_FY08Q1_Nov14_LewarneTables_eng

⁷ SPSS_FY08Q1_Nov26_ChapterVIIIVolPenWhitePaper_arm & SPSS_FY08Q1_Nov30_ChapterVIISysMangtWhitePaper_arm

1.A.3. Organize a Study tour in cooperation with AED to Sweden and Estonia

- The study tour to Stockholm, Sweden and Tallinn, Estonia took place November 17-27.⁸ SPSS organized both the logistics and substantive part of the Sweden tour and provided substantive policy support to AED on the Estonia part. SPSS provided materials on Sweden and Estonia to the tour participants, including a number of documents previously translated and delivered as part of the seminars in May 2007. Some new materials were also prepared about Sweden, and materials from Swedish state agencies also made available.⁹ Materials prepared by the Public Administration Expert Christopher Hartwell on Sweden and Estonia were also translated and made available.¹⁰ SPSS was in close contact with Swedish colleagues throughout the month of November to make appointments and plan the study tour program. In addition, SPSS provided information concerning the Armenian system to colleagues in the other countries.¹¹
- The Stockholm, Sweden pension study tour included appointments with:
 - 1) Swedish Social Insurance Agency, Ole Settergren, Principal Administrative Officer of the Pensions Department, provided a comprehensive description of income-based pension systems in Sweden and of the recent reforms.
 - 2) Swedish Tax Agency, Gunilla Pählsson Bluhm, International Coordinator, explained the overall responsibilities of the agency while Ms. Stina Johnsson, the Business Development Officer, explained how the Tax Agency collects income taxes and social insurance contributions from employers and self-employed persons, as well as contributions to funded pensions. The group also had a detailed briefing from Mats Sjostrand, the Director-General.
 - 3) A lecture by Professor Eskil Wadensjo, Director for SULCIS Swedish Institute for Social Research, University of Stockholm, provided background concerning the economic and political background of the reform which introduced funded pensions in 1999.
 - 4) Premium Pension Authority, Daniel Barr, Chief Economist and Director of the Fund and Finance Department, provided a detailed explanation of how PPM functions as a clearinghouse for funded pensions. Director General Johan Hellman provided a general introduction to the institution. Pierre Henhammar, Marketer, gave a detailed presentation illustrating how the individual interacts with the internet page of the PPM. Lars Billberg, Chief Actuary, explained how actuarial analysis is used by PPM.
 - 5) Peter Norman, the Executive President of AP7, the default fund, presented his investment approach and results. The default fund is maintained for individuals who have not made an investment choice. Approximately one third of individuals fall into this category.
 - 6) Peter Lindblad President of Pensionsgaranti, a voluntary mutual association that guarantees defined benefit pensions provided by employers, made a presentation explaining why the private sector pension industry created its own defined benefit guarantee program.
 - 7) Fredrik Nordstrom, Managing Director of AMF, one of the largest asset managers in the mandatory funded pension system, presented his fund's marketing approach and perspective on the mandatory funded pension system. His colleagues provided further insight into the detailed approach to consumers.
 - 8) Bettina Kashafi, the State Secretary of the Ministry of Health and Social Affairs (also present, Stefan Oscarson and Lindroth Beryl) who informed the group that the pension reform process is ongoing in Sweden and that there is examination of the great variety of pension investment options as well as possible reorganization to unify PPM and the Swedish Social Insurance Agency's pension department into a united body.

⁸ SPSS_FY08Q1_Nov15_STSwedEstAgenda_eng

⁹ SPSS_FY08Q1_Nov14_SwedishMultipillaPSBriefer_eng.doc and SPSS_FY08Q1_Nov14_SwedishMultipillaPSBriefer_arm.doc

¹⁰ SPSS_FY08Q1_Nov14_SIFInternPerspective_arm and SPSS_FY08Q1_Nov14_SIFInternPerspective_eng

¹¹ SPSS_FY08Q1_Nov13_BackgroundArmPensRef_eng

- 9) Wrap up session on the meetings in Sweden was conducted during the first morning in Tallinn, Estonia with a preparation of a list of lessons learned and a discussion of their relevance to Armenia.
- The Tallinn, Estonia pension study tour included appointments with:
 - 1) An introductory lecture by Reelika Leetmaa, Program Director, PRAXIS Center for Policy Studies, the think tank organizing the study tour as a subcontractor to AED.
 - 2) Professor Lauri Leppik, Professor of Social Policy at Tallinn University, further explained the political and economic background of the reform and the basic parameters of the new pension system, which includes a first pillar pension and a mandatory funded pension for those born after 1983.
 - 3) Vilja Kuzmin, the Head of Pension Policy at the Ministry of Social Affairs, explained the overall pension approach of the Ministry and the various pensions available to the disabled and survivors.
 - 4) Veliko Tali, the Deputy Secretary General of the Ministry of Finance, provided a very detailed economic analysis of the reasons for pension reform and of the early results of the new funded system. The persons who were born in 1983 or later must join the funded system; the others join on a voluntary basis but once enrolled, cannot opt out. Individuals join the system through banks.
 - 5) Kulli Pedak, the Director General of the Social Insurance Board, explained the functioning of her agency, which spends one quarter of the state budget.
 - 6) Financial Inspection, Head of the Division on the Supervision of Financial Services, Andre Nomm introduced the history of the institution, which resulted from a merger of securities, insurance and banking regulators, and explained the institution's role with respect to the pension funds in the mandatory system.
 - 7) The OMX Company, which provides central registry services to the Estonian securities market, made a number of detailed presentations explaining how individual accounts are maintained. Kristel Johanson explained the functioning of the pension registry. The presentation included some details on the information technology requirements of this business process, provided by Ants Viiderfeld, Project Director, AS Microlink.
 - 8) A wrap-up session, joined by Professor Lauri Leppik and Veliko Tali of the Ministry of Finance, took place on Saturday November 24. The group was able to ask questions and confirm their understanding of the pension processes.
 - 9) Irena Lipatova, Deputy Head of Department at the Estonian Tax and Customs Board, provided information on how social insurance contributions are collected with the income tax. She provided a detailed explanation of the forms used and described the (primarily electronic) filing process.
 - SPSS Project staff provided extensive assistance with visa applications, interviews at German Embassy for a Schengen visa as is required for Sweden, arranged logistical arrangements such as hotel reservations and other bookings. SPSS Project staff also provided logistical support during the study tour in Sweden.
 - SPSS provided relevant materials on the Swedish and Estonian Pension and Tax systems to SSIF and NILSR specialists who were not able to participate in the study tour.

1.A.5 Final draft of report with solid quantitative analysis to support draft legislation and discussion with financial institutions.

- Incorporated proposed pension increase specifics into the SPSS Pension Model initiated when the project began in February 2007. In June 2007, the Government announced a significant 60% increase in all pensions, in general terms.
- Provided comments on the PWG draft summary reform proposal of August 8. This proposal reflected the 60% increase. The due date for the final report with quantitative analysis and the draft legislation has been deferred a number of times since SPSS began. The due date was moved from June 2007 to September 2007 to December 2007. A retreat was scheduled for October 2007 to finalize the analysis for the reform, and then cancelled by the PWG.
- The team was informed that the due date for the quantitative analysis in support of the reform and the draft legislation will be June 2008. The October 2007 retreat was canceled. Thus, there cannot yet be a final draft of a report as was originally planned.

1A.7 Organize roundtables, seminars and focus group discussions with participation of the PWG, relevant state bodies, NGOs, employers and media representatives

- The calculations described in 1.B.1. were presented by Landis MacKellar in four separate events:
 - 1) SPSS project staff, October 8
 - 2) PWG, October 10. Attended by almost the entire PWG plus additional staff invited by SSIF and the CBA, approximately 40 participants.
 - 3) MLSI and NLSRI, October 12. This included the group of specialists who will receive training in December)
 - 4) American Chamber of Commerce, October 12.
- Explored supporting MLSI and NLSRI roundtables to follow up on analysis of data on conditions of pensioners and possible survey of pensioners. MLSI and NLSRI decided to proceed in this matter without SPSS support.
- A summary of lessons learned was presented to the PWG at its meeting November 30, 2007.^{12 13} A study tour report with a more comprehensive analysis of the two countries was delivered in December.

1.A.8 Develop proposal for disability insurance in reformed system.

- STTA Robert Kusiak met with SSIF and SMEC officials to assess the current system of disability insurance and payments; part of his recommendation on data sharing within the Ministry and between the SSIF and the Labor Inspectorate focused on the need for disability insurance to be integrated into other social protection facets. Work on disability insurance will be ongoing in Q2.

1.B Provide ongoing modeling support and training in modeling to provide actuarial calculations to inform the reform

1.B.1. Develop model with the following capabilities: revenue and expenditure projections of PAYG, growth of capital and funded accounts, average pensions and replacement rates, outstanding pensions liability, generational accounting.

- The SPSS Pension Model was completed to provide needed information on the pension system while 1) taking account of structural factors (urbanization, the shift from agriculture and industry to services, and likely, changes in pension system participation/compliance), 2) highlighting links between the pension system and other areas of interest to the project, such as disability, occupational health and safety, and active labor market policies.

¹² SPSS_FY08Q1_Nov28_ComparisonSwed&Est_eng and SPSS_FY08Q1_Nov28_ComparisonSwed&Est_arm

¹³ SPSS_FY08Q1_Nov28_LessonsLearnedSTSwedEst_eng and SPSS_FY08Q1_Nov28_LessonsLearnedSTSwedEst_arm

- A manual to accompany the SPSS Pension Model was drafted, revised and translated in time to be used in training December 10-21.
- 1.B.2. Conduct study as necessary to supplement existing data on demographic household and labor force of elderly population.
- Conducted discussions with MLSI and NLSRI to provide assistance in preparing an annual statistical report on pensioners and in assessing attitudes toward pension reform. The project team reviewed the draft questions and a TOR prepared by NLSRI.^{14 15} Draft TOR prepared for involvement of AUA to utilize existing data that satisfies the MLSI's stated information needs and to build NLSRI capacity to replicate this report annually in a sustainable manner. MLSI and NLSRI decided not to use SPSS project support for their annual report and survey. SPSS will proceed with preparation of report on the basis of existing data to serve as a baseline and example of a sustainable reporting process.
- 1.B.3. Refine model and produce preliminary fiscal and actuarial calculations.
- The modeling work had been expanded (demographic, labor market, and Pillar 0/1 pension modules) to encompass Pillar 2 pension module. Preliminary analyses of pillar two transition costs are now prepared based on demographic and labor market modules.
 - Prepared a memorandum concerning model scenarios for the PWG.^{16 17}
- 1.B.4 Provide training to local staff and counterparts on model use.
- Prepared model and manual, and translated model manual. Training was scheduled for December, 2007. In light of the delay of the draft reform to June 2008, this will be the optimal time to work through the options presented by the PWG on August 8. An initial presentation was made on October 12 to persons who will receive the training.
 - Preparations for the training in the use of the model included extended communications with the following agencies who have designated participants: MLSI, SSIF, MTED, CBA and PWG.
 - In addition, the YSU actuarial program was invited to participate and initially designated 32 students for participation.
 - Training took place at the NORK Center using its computers. Agreement on the required logistics for the seminar was reached in November.
 - The logistical planning for the training had to be significantly expanded to accommodate the increased number of students. No one desiring to participate was turned away.
 - Landis MacKellar offered two sessions of training on the SPSS Pension Model December 10-21, 2007 (morning and afternoon), to accommodate the interested participants. Participants were appointed by all the counterparts of the project. The goal of the training is to be able, by the end of the exercise, to pose and answer questions regarding Armenia's PAYG pension system and prepare and present a short policy briefing. The end-of-workshop exercise asks the participants to divide into groups, and to propose and analyze a reform measure.
 - Certificates to those attending the training were distributed December 21, 2007. In addition, participants were provided an electronic copy of the model. The participants were advised that the SPSS Pension Model is an open model and its use is not restricted. The SPSS Project requested, if participants distribute or publish any results obtained with the SPSS Pension Model, that they make the following statements, in a suitably prominent manner:

¹⁴ SPSS_FY08Q1_Oct16_PensionsurveyresponsetoTOR_eng

¹⁵ SPSS_FY08Q1_Oct16_PensionsurveyresponsetoTOR_arm

¹⁶ SPSS_FY08Q1_Oct24_ModelScenariosPenRef_eng

¹⁷ SPSS_FY08Q1_Oct24_ModelScenariosPenRef_arm

- 1) The SPSS Pension Model used to develop [name of the work] was made possible with the support of the American People through the U.S. Agency for International Development.
 - 2) The contents of the [name of this work] are the sole responsibility of the authors and do not necessarily reflect the views of USAID or the US Government.
- Finally, participants were asked that if they modify the SPSS Pension Model or improve it, they send the SPSS Project the information about the changes. As this is an open source model, it will continue to be used and improved.

1.B.5 Produce revised fiscal and actuarial calculations to feed into law

- As noted above, the Government's reform schedule has been significantly delayed. A draft law is now due in June 2008. It is possible the law will not be submitted to Parliament until the year 2009.
- Revised calculations have been prepared to reflect the 60% pension increase and the August 8 summary reform proposal.
- Introduction of the model and capacity building in its use will provide fiscal and actuarial calculations relevant the upcoming discussion.

1.B.6 Revise model as necessary to support discussions of law with international donors.

- International donors, in particular the World Bank and the IMF, have been kept abreast of the development of the model and the financial results. Their representatives attended the PWG presentation on 10 October.

1.B.7 Explore introducing behavioral relationships to pension model.

- Planned for Q3 after evaluating performance of the model.

1.C Draft and facilitate discussion on pensions law regulations and other legal documents

1.C.1. Support legislative activities within the Government's PWG

- Tailored contributions to the PWG White Paper document fitting the group's draft outline requirements.
- Provided model results for incorporation into PWG White Paper document.

1.C.2 Main parameters of law approved.

- As noted in the previous quarterly report, the due date for the PWG to submit its proposed reform package has shifted to June 2008, and consequently all aspects of the reform are delayed, including legislative drafting.

1.C.3 Produce first draft of law on pensions and disability.

- As noted in the previous quarterly report, this has been delayed.

1.D. Advise on Parametric reforms including incremental improvements in administration processes and IT upgrades in the current pension system.

1.D.1. Assess Current Administration and Business Processes

- After the August retreat with the SSIF, the Project provided a business process analysis of SSIF's operations, assessed its information system (PARNAS), and made trainings and seminars available to SSIF staff. A work plan was prepared to provide additional business process assessment. At SSIF's request, an agreement between SPSS and SSIF was signed December 17, 2007 setting forth this joint work plan. SSIF indicated this was necessary in order for the project to have access to its offices for further work and assessments.

- A reorganization of SSIF was undertaken by the Government of Armenia in late December 2007. The project has obtained a copy of the government decree dated December 24, 2007, and new organizational charter and the documents are being translated. It appears as a result of preliminary analysis that the legal status of SSIF will change and it will be renamed as the State Service of Social Security (SSSS). The SSSS will be a state body within the MLSI providing services in the sphere of social security. Based on preliminary review, it appears that the SSSS will have the following functions:
 - Record names of contributors, establish and maintain a personified database of insured persons
 - Exchange/transmit information on social contributions with the State Tax Service (STS) and enforce collection of social contributions according to procedures established by the Government
 - Assign, recalculate and pay pensions
 - Assign and pay insurance benefits, compensations and monetary assistance
 - Provide information to insured persons on data reflected in the personal accounts according to procedures established by the Government
 - Provide pension certificates to pensioners free of charge
 - Undertake preparatory work on the needs for budgetary financing of the mandatory state security programs
 - Execute administrative procedure in case of administrative violations
 - Check accuracy of documents for assignment of pensions presented by employers, organizations and physical persons
 - Submit documents on assignment and payment of pensions to MLSI and other state bodies performing legislative oversight
 - Draft legal acts related to SSSS and submit suggestions to the Minister of MLSI
 - Apply to court in case envisaged by the Law
 - Join international organizations, to cooperate with relevant organizations of foreign countries
 - Implement public information programs
 - Other functions established by law.
- The Head of SSSS will manage the SSSS. The Head of SSSS will be appointed by the Prime Minister upon recommendation of the MLSI Minister. The deputy heads will be appointed by the MLSI Minister upon recommendation of the Head of SSSS. The Head of SSSS will be responsible for management and implementation and report to the President, Government, Prime Minister and MLSI Minister. The Head of SSSS will act on behalf of the institution, assign his/her advisers, assistants and public relation specialists, establish structural divisions and regional centers, and create advisory bodies. The Head of SSSS will present an annual report to the Government through the Minister of MLSI. The Head of SSSS will present the Charter, Structure and number of employees of SSSS for approval to the Prime Minister through the Minister of MLSI. The employees of the structural and regional divisions will be civil servants. The staff of SSSS will keep relevant accounts and submit financial, tax reports and declarations to state authorized bodies.
- In light of these significant changes and the new agreement, SSSS experts will initiate the assessments and studies contemplated in the agreement and then advise on organizational issues as well as information technology.

1.D.3. Assess Current IT System

- See 1. H below.

1.D.4. Produce report on the current pension system with analysis and recommendations for improvements.

- Several business process improvements were recommended in August. Initiation of additional assessment will take place this quarter, following the signing of the December 17 agreement.

1.D.6 Propose new organizational design covering departments, staffing levels, position descriptions, and pay and grading. Design IT system to support new structure.

- This work cannot yet be initiated. In light of the reorganization of SSIF and the assessment to be undertaken as a result of the December 17 agreement, organizational design will be addressed after the ten-office survey and other assessments have been completed in Q2.

1.D.8. Define procedures for social insurance payments for self-employed.

- Recommendations on inclusion of the self-employed were made in the paper described at 1.A.1. above.

1.D.9 Provide IT and administrative training and support for administrative improvements.

- This work is not yet appropriate in light of pending administrative and organizational changes at SSIF.

1.D.10 Procure IT equipment needed to make productive use of existing IT equipment.

- Planned in conjunction with 1.D.9; subject to delay due to the integration of the SSIF with the MLSI.

1.D.13 Improve services to beneficiaries

- Recommendations for service improvement were made in August and will be further detailed after a review of SSIF offices.

1.E Design businesses processes and IT specifications of reformed pension system

1.E.2 Assess gaps between existing IT system and needs under the reformed pension system.

- See 1.D.1 and 1.D.9. above. Parts of existing IT system assessed under broader IT strategy for social protection.

1.F Evaluate and improve PARNAS and SSCs, and rollout an adapted PARNAS across the country (in coordination with World Bank IT projects)

1.F.1 Review IT systems underlying PARNAS and SSCs and write report with recommendations for improvements, including creation of information sharing system.

- See 1.D.1 and 1.D.9 above.

1.G Manage tender for IT system that maximizes interface of PARNAS and Tax Administration systems

1.G.2 Propose recommendations for improvements and develop action plan.

- See 1.D.1 and 1.D.9 above. Some recommendations were encapsulated in broader IT strategy; action plan will be developed in coming quarters.

1.H Assist counterparts to better harmonize social sector databases to meet international standards and improve security

1.H.1 Develop strategy for database management in social sector.

- Translated Draft Information Strategy¹⁸ for Social Protection system into Armenian. Technical editing is in process.
- Initiated preliminary discussions with the counterparts were. MLSI representatives accepted in principal the proposal of an Information Policy Unit. After official presentation of Draft Information Strategy further discussions of ICT strategy for Social Protection system and data exchange issues was continued at a retreat December 14-15¹⁹ with the concerned counterparts.
- Prepared and delivered Recommendations for development of Information Strategy for the Social Protection system.

1.H.2 Assess current databases and make recommendations on improvements.

- An assessment of the databases for the social sector was included as a component of the draft information strategy, as was a series of recommendations for improvement.

1.1 Advise on policy and institutional reforms for other social insurance programs

1.1.1 Make recommendations on revisions of eligibility requirements, benefit formulae, means testing, population targeting, disbursement, policies and procedures.

- Comprehensive work on this issue has been delayed in light of delays on overall pension reform. As part of work on risk-based analysis, Robert Kusiak of the Ontario Ministry of Labor did a brief overview of disbursement policies and procedures for disability payments. More work is planned in this area over the coming quarters.

1.1.2 Assessment of policy and institutional structure of other social insurance programs.

- This work has been delayed in light of delays on overall pension reform. However, Robert Kusiak also performed an assessment of the process for claiming disability and how it could be better targeted (see footnote 62).

COMPONENT TWO: EMPLOYMENT SERVICES

Component Two team is tasked with strengthening employment programs consistent with EU and ILO standards in the framework of a National Social Assistance Sector Strategy. A comprehensive plan in this field will guide targeting services to vulnerable populations, ensure new and continually improving services for all job seekers, and promote innovative job creation in communities with high vulnerable populations. The Employment Plan will drive new employment legal frameworks that mandate better utilization of Labor Market Data, to target services to vulnerable populations at the local levels. Community partnerships will leverage resources to serve those most in need. This will be achieved through the use of the office assessments to design programs, restructure administrative functions, and improve working conditions, while emphasizing the management and program resource capacity of the Marze centers. Connectivity within the system and training of staff in new client service skills are also priorities.

The Employment Services team assessed sixteen employment centers during this quarter, creating the base future recommendations on potential SESA restructuring and implementation of new programs. This assessment information assisted in the formation of a partnership with the USAID BRIDGE project on renovating local employment offices: SPSS has committed to renovating three such offices, while BRIDGE will renovate a further five, in order to improve working conditions and create group meeting space to facilitate new programs. These eight pilot offices will have internet capacity,

¹⁸ SPSS_FY07Q4_Nov21_IT_Strategy_arm, SPSS_FY08Q1_Nov21_IT_Strategy_eng

¹⁹ SPSS_FY08Q1_December14.15_IT_Agenda&List_of_participants, SPSS_FY08Q1_Dec14_ITStrategy-Intro_rus, SPSS_FY08Q1_Dec14_ITStrategy-Vision_rus, SPSS_FY08Q1_Dec14_ITStrategy-ActionPlan_rus

capacity to implement new active measures such job search groups for targeted population, job clubs and job fairs, along with enhanced employer services.

SESA and SPSS have an excellent working relationship which has resulted in the introduction of three new programs and the enhancement of the selected staff's capacity to implement these programs. The job fair, job club, and program performance programs required committed staff and SESA has provided all required staff and support. SESA's staff has shown itself eager to learn about new programs and have the benefits of connectivity and better equipment in order to provide quality services to the unemployed.

Partnerships with vocational institutions and the Armenian educational system will also introduce flexible skills and career training opportunities with several programs targeting vocational training to vulnerable populations, such as youth and the disabled.

2.A Assist counterparts to develop Strategic National Employment Service Plan with key elements: stronger links with private sector employers, outsourcing of selected services using social contracting, implementing locally based employment strategies tied to reorganization of staffing patterns, improved job matching , improved self-service, improved tracking of vacancies, as implemented in a model office.

2.A.1 Assist MLSI to write National Employment Strategic Plan that applies best practices of EU-conforming strategy and responds to the RA- ILO 2007-2011 Strategy, ILO conventions and Employment strategy guidelines, European revised charter, and National PRSP priorities.

- Compiled the results of five surveys related to the current labor market situation and employment issues, and a matrix is being designed for use by MLSI staff for policy, strategic and legal developments. The five surveys are: RA Labor Market Survey and Gyumri LM survey conducted by Armenia, the WB report on Armenia Labor Market Dynamics in 2 volumes written by Arvo Kuddo, Armenia Rural Labor Markets survey report by Avag Solutions, the research titled Armenia: the Caucasian Tiger by WB team, the report on Youth Employment Issues by Center of Independent Analysis, Productivity and Competitiveness, and the survey of Labor Market in Rural Communities, done by BAKER-TILLY-Armenia.
- Held a unique partnership conference on Labor Market Trends and Challenges December 18 in Yerevan²⁰. Component Two provided leadership, resources, and organization in collaboration with Caucasus Research and Resource Centers-Armenia (CRRC), MLSI and SESA. The conference goal was to bring together multi ministerial and other private, public representative to discuss labor market trend and challenges. The conference was unique in its partnerships and in the diversity of the high-level governmental presenters, and included a discussion on the labor market policies and regulations that are driving trends such as migration, educational impacts, labor supply and gaps²¹. During the conference, high representatives of the RA Government as well as international and Armenian experts sought to provide points for turning around adverse

²⁰ SPSS_FY08Q1_Dec19_LM Trends Conference_EventReport

²¹ SPSS_FY08Q1_Dec12_Talking points_AnnHirshey; SPSS_FY08Q1_Dec14_Talking points_N.Yeritzyan; SPSS_FY08Q1_Dec18_LMTrendsConf_SonaHarutyunyan_SESA_arm.ppt; SPSS_FY08Q1_Dec17_LMTrendsConf_JaneDaly_SPSS_arm.ppt; SPSS_FY08Q1_Dec18_LMTrendsConf_HM&MB_CRRC&AIIRC_arm.ppt; SPSS_FY08Q1_Dec17_LMTrendsConf_LusineKalantaryan_NSS_arm.ppt; SPSS_FY08Q1_Dec18_LMTrendsConf_DavidHakobyan_MA_arm.ppt; SPSS_FY08Q1_Dec18_LMTrendsConf_TigranJrbashyan_AEPLAC_eng.ppt; SPSS_FY08Q1_Dec17_LMTrendsConf_AramAvagyan_GDF_arm.ppt; SPSS_FY08Q1_Dec17_LMTrendsConf_RobertStepanyan_MOES_arm.ppt; SPSS_FY08Q1_Dec18_LMTrendsConf_BagratYengibaryan EIF_eng.ppt; SPSS_FY08Q1_Dec17_LMTrendsConf_VahanSimonyan_MoLSI_arm.ppt; SPSS_FY08Q1_Dec18_LMTrendsConf_GyulnaraHovhannisyan_NILSR_arm.ppt; SPSS_FY08Q1_Dec17_LMTrendsConf_CarlUlbricht_SPSS_arm.ppt;

trends and strengthen positive trends.²² The outcomes of the conference results were summarized.²³

2.A.2 Build and strengthen internal capacities within SESA both on central and local levels to implement the new Strategy

- An expert consultant has been engaged to provide a brief paper that outlines findings from 10 CIS and EU countries' policies, regulations, and practices regarding rural labor markets. This report and the completed matrix are due at the end of the next quarter and will be presented to SESA to help with their policymaking.
- Renovation of regional centers (see below) and the creation of a pilot office will be started in Q2 and will help to strengthen SESA's reach and capacities in implementing the Strategy.

2. A.3 Harmonize employment legislation with the EU-conforming strategy, the RA-ILO 2007-2011 Strategy, ILO conventions and Employment strategy guidelines, European revised charter, National PRSP priorities and the National Employment Strategy Plan. This will include legislation for agricultural workers and legislation for labor force external migration.

- Provided support to the MLSI in order to harmonize employment legislation with the EU-conforming strategy, the RA-ILO 2007-2011 Strategy, ILO conventions and Employment strategy guidelines, European revised charter, National PRSP priorities and the National Employment Strategy Plan. This will include legislation for agricultural workers and legislation for external migration.
- Presented the BAKER TILLY-Armenia survey results at a roundtable discussion organized by SPSS. The Project's involvement assured the reported outcomes of the surveys were publicly presented. Discussions on the identified issues within the survey centered on the recommendations co-developed with SPSS's expert consultant and BAKER TILLY. The presentation gathered key players and decision makers to discuss the final recommendations. The expert consultant studied survey results and provided not only additions, but also counseling and expert advice to BAKER TILLY-Armenia's staff on focusing on key issues rather than simply making a survey results presentation.²⁴
- An SPSS expert consultant is engaged in reviewing the employment law and providing comments on Armenia's compliance with ILO conventions (requested by the Ministry).
- Component Two was asked by the Ministry to provide comments and recommendations on drafts of three Government Decrees developed by the MLSI. One of the decrees was to define the state authorized body for providing work permit to the foreign workers, the second one determined the procedure of provision of work permission, and the third one determined the list of documents to be submitted for getting the work permit. Technical assistance provided by the Component Two staff and the project legal consultant STTA Carl Ulbricht included: comments and recommendations on the drafts shared by the Ministry; comments on Armenian policy in this sphere and its implications; an overview on developed countries policies; and an overview of the UK business migration policy and the administration of foreign worker program in Germany, as well as translations of the "Report of the Republic of Lithuania on the non-accepted provisions of the Revised European Social Charter" and the document on Germany Immigration Law and Policy²⁵.

²² SPSS_FY08Q1_Dec17_ConfSpeakers_ShortBios

²³ SPSS_FY08Q1_Dec20_LaborMarketTrendsConfSummary

²⁴ SPSS_FY08Q1_Dec19_RLMDiscussion_Event Report.doc;

SPSS_FY08Q1_Nov06_Rural LM Survey_arm(final).ppt; SPSS_FY07_Nov01_Rural LM Survey_engl.ppt

²⁵ SPSS_FY08Q1_Dec14_Comments_GovDecrees_ForeignersWorkPermit.doc;

SPSS_FY08Q1_Dec14_ForeignWorkersPolicyImplications_Carl.doc;

SPSS_FY08Q1_Dec14_ForeignWorkers_Overview_DevCountries.doc;

SPSS_FY08Q1_Dec14_UKBusinessMigrationPolicy.doc;

2. B Assist SESA to develop service-targeting method for prioritizing and outsourcing SESA services

2. B.1 Identify best practices previously piloted and support SESA to develop and replicate those practices

- The Ministry and SESA organized an employment sector donors' coordination meeting, a first step in working towards donor communication and coordination.²⁶ Seven donors, including the World Bank, provided an overview of their programs and spheres of program focus, and expressed a wish for stronger coordination.

2. B.2. Design and discuss methods for rollout, client targeting and service delivery through involvement of stakeholder groups

- The MLSI initiated discussions with SPSS about implementing Integrated Social Service Centers (ISSCs). Component Two is part of a team providing guidance and advice related to SPSS's assessment of the failure of the ISSCs in the past. SPSS will seek to assure proper ownership and role definition and integration services are implemented.
- A coordination and planning meeting was held with Ministry Staff from the Family, Women's and Children's Issues Department to discuss trafficking and women's violence. A roundtable discussion on these issues was held in the regions led by UNDP as a result of this meeting.
- Participated in planning for the Community Social Policy and Development Roundtable, which was implemented by Component Four staff in collaboration with Mission Armenia and the Communities Association leadership.
- Explored collaborative opportunities with the USAID CAPS program for future work with SESA, including possibilities of a youth center and job-matching functions within career centers.

2.B.3 Refine and adopt necessary materials, tools, and guidelines for targeting methods in selected active measures.

- Planned in tandem with work on ISSCs in Q2.

2. B.4 Establish model employment offices

- Developed specific criteria for the selection of offices to be renovated²⁷ and reached agreement with the SESA Director on these criteria. The criteria along with the assessment visits to regional and local employment offices resulted in eight offices being selected for renovation and introduction of new programs²⁸. SPSS's construction expert visited World Bank-remodeled employment offices to gain insight into the remodeling requirements and view the effectiveness of the Bank's efforts. There are outstanding issues in the offices, such as no group meeting spaces and no IT connectivity infrastructure, which will hamper future program implementation. Another concern is there has not been office furniture purchased, so the staff has no chairs for meeting with guests or customers.
- Reached final agreement on the division of labor for renovating pilot offices: SPSS will be responsible for three offices, and BRIDGE will be responsible for five additional offices. Agreement between SESA, USAID, BRIDGE, and SPSS was finalized and remodeling will begin after SESA has resolved issues regarding ownership of the premises.

SPSS_FY08Q1_Dec10_ForeignWorkers_Germany_eng.doc;

SPSS_FY08Q1_Dec10_ForeignWorkers_Lithuania_eng.doc;

SPSS_FY08Q1_Dec17_ForeignWorkers_Lithuania_arm.doc;

SPSS_FY08Q1_Dec10_GermanImmigrationPolicy_eng.pdf;

SPSS_FY08Q1_Dec21_ForeignWorkers_Germany_arm.doc

²⁶ SPSS_FY08Q1_Oct24_EmplDonorCoordiantionMeeting_JD_arm.ppt;

SPSS_FY08Q1_Oct24_EmplDonorCoordiantionMeeting_JD_eng.ppt

²⁷ SPSS_FY08Q1_Dec01_SiteSelectionCriteria_eng.doc

²⁸ SPSS_FY08Q1_Dec05_SESARegionalOfficesRenovation.xls

2.C Assist SESA to create institutional framework for strategic outsourcing of SESA services

2.C.1 Improve existing legal and regulatory basis for promoting outsourcing of services in SESA as well as support stimulation of community initiatives that would serve clients better if outsourced, such as services for the disabled and programs within the private sector.

- Helped to plan and implement the Community Social Policy and Development Roundtable, in collaboration with Component Two, Mission Armenia, and the Communities Association.
- Began exploration of community initiatives and best practices to be promoted, including work done by IOM in the Marzes; work on community initiatives will continue throughout FY2008.
- A grant agreement template and grants program manual has been developed and piloted by Component Four, which is under consideration for adaptation to SESA conditions. (See details in Legal and Grants Management Crosscutting Sections).

2.C.2 Determine basic functions of SESA offices based on SESA business processes. Create list of services and prioritize the ones which may more efficiently be outsourced.

- Currently under discussion with SESA, expected to be completed in Q2.

2.C.3 Define and introduce transparent tender process based on NGO selection criteria and type of outsourcing services.

- Scheduled for Q2.

2.C.4 Support SESA in designing a tool to determine internal and external capacity/cost to deliver.

- Scheduled for completion in Q4, after work is completed on basic functions of SESA offices.

2.D Support continued reforms of SESA offices

2.D.1 Engage SESA staff to determine Marz office administrative and program resource needs, and local office needs. Engage in consensus building with staff and community partners to develop local ownership.

- The consultant on Performance Measures held a two-day training session with SESA, MLSI, and NILSR staff introducing concepts on program improvements and methods for measuring program impact such as customer satisfaction, efficiency and outcomes. The training included session on international best practices, particularly examples from USA, Canada, and UK²⁹.
- STTA Eric Johnson visited four Employment Centers (Davitashen, Kanaker-Zeytun, and Shengavit in Yerevan and Ijevan in Tavush Region) that provide orientation to Armenia Employment programs indicators, as well as provide a source for information and data on Marz office procedures and administrative functions.

2.D.2 Assist SESA in developing and publicizing a new portfolio of Active Labor Market Measures including full service offerings, countrywide coverage, involvement of NGOs and private providers, and Active Labor Measure message.

- Successfully implemented the largest Job Fair held in Armenia. The members on the Job Fair Committee represented both private and public sectors, supply side (job seekers) and demand side (employers) as well as vocational education and university career centers³⁰. At the very first working meeting the committee members were presented an overview of the criteria for successful job fairs³¹ that included the tasks and responsibilities of each job fair function. SESA

²⁹ SPSS_FY08Q1_Oct26_PerfMeasures_TI_arm.ppt; SPSS_FY08Q1_Oct26_PerfMeasures_TI_eng.ppt

³⁰ SPSS_FY08Q1_Dec19_JobFair_Event Report.doc

³¹ SPSS_FY07Q4_Sept4_PartnershipsforJobFairs_arm.ppt;

SPSS_FY07Q4_Sept4_PartnershipsforJobFairs_eng.doc (reported in SPSS_FY07QR4)

was actively involved in locating a venue, assisting in marketing, soliciting company participation, and training job-seeker participants.

SPSS worked to ensure that all committee members are trained and equipped with necessary skills to organize and participate in a professional-level Job Fair. To assure the sustainability of capacity-building, SPSS created and delivered to all partners a Job Fair manual.³² Employers represented at the Job Fair received prior training at SPSS and given helpful instructions and answers to their questions before meeting the job seekers. Similarly, the job seekers were trained on how to be prepared to the job fair by SESA staff, or by Career Center Staffs from the 3 Educational institutions: YSU, Slavonic State University and AUA³³.

The job fair was a day-long event with 92 employers and organizations participating all of whom had several job vacancies. More than 5000 job seekers attended the job fair to learn about companies, to present their CV and to talk to employers. The large public awareness and attendance was insured by thoroughly deliberated marketing tools and slogan: "Find What You Seek!" The marketing strategy included a large pre- and post-event media outreach.

Evaluation forms, employer data sheet and a job seekers careers survey were given out during the job fair. These data were compiled and the results analyzed. These results and outcomes have been presented to the organizing committee members and employers³⁴. Also all the committee members and the employers as well as the volunteers were thanked and awarded certificates of gratitude for their successful involvement.

- Implemented initial preparations and program materials on job clubs during November. Job Clubs are an active measure that SESA will incorporate as a service to job seekers. The Expert Consultant visited three local employment offices to assess SESA capacity to implement job clubs. The consultant assessment report is filed³⁵. Component Two elected to pilot job club materials and concepts using a selected group of long-term unemployed³⁶ before rolling out the full program. The pilot demonstration was evaluated, materials reviewed to make adjustment for planned training job club of facilitators once office renovations have been completed, and job club equipment located in the job club rooms.
- 2.D.3 Create a model office where self-service programs will be initiated and where one can obtain information on vacancies and active LM measures, including training opportunities, on a walk-in basis.
- Began introducing concepts to be implemented within the model office and began discussions of self service methods with the SESA Director.
- 2.D.4 Strengthen client outreach, counseling and referral for services techniques, including those for vulnerable groups.
- Developed a leaflet for the Gyumri Employment Center³⁷ for an event targeted to public outreach in their region.
 - Prepared and translated materials for the Component Two Expert Consultant on Employer relations working sessions in January and February.

³² SPSS_FY07Q4_Sept25_JobFairManual_arm.doc; SPSS_FY07Q4_Sept25_JobFairManual_engl.doc (reported in SPSS_FY07QR4)

³³ SPSS_FY08Q1_Oct01_Writing a CV_arm.pdf; (reported in SPSS_FY07QR4)

³⁴ SPSS_FY08Q1_Oct 26_JF Feedback_evaluation&surveyoutcomes_arm.ppt; SPSS_FY08Q1_Oct 26_JF Feedback_evaluation&surveyoutcomes_eng.ppt

³⁵ SPSS_FY08Q1_Nov26_FormalAssessment_SESACurrentJobClubSkills_eng.doc

³⁶ SPSS_FY08Q1_Dec05_PilotJobClub_EventReport_eng.doc; SPSS_FY08Q1_Dec07_EricJ_ExitReport.doc; SPSS_FY08Q1_Nov26_PilotHandouts_eng.doc; SPSS_FY08Q1_Nov26_PilotHandouts_arm.doc;

SPSS_FY08Q1_Nov26_PilotPresentation_eng.ppt; SPSS_FY08Q1_Nov26_PilotPresentation_arm.ppt

³⁷ SPSS_FY08Q1_Dec15_GyumriLeaflet_inside; SPSS_FY08Q1_Dec_15_GyumriLeaflet_outside

2. D.5 Assist in developing sustainable monitoring and evaluation system with internal controls for determining overall effectiveness of employment services.

- Program Measures training was completed in October³⁸ and follow-on actions continued into November. SPSS staff and STTA formed a working group that included staff from SESA, NILSR, NORK informational-analytical center and MLSI. The working group's purpose is to create general employment indicators to measure customer satisfaction and program results. As support to the working group, SPSS translated the draft of the Annual State Employment Program for 2008³⁹ and SESA current planning and reporting forms⁴⁰. The results and action steps of the working group are recorded in the STTA's committee report and referenced in the exit report.⁴¹

2.D.6 Implement management reform and strategic staffing in pilot offices.

- Scheduled to proceed concurrently with renovation of regional offices and development of pilot office. Projected to begin in Q2.

2.D.7 Assist SESA to design and introduce continuous and sustainable staff development system

- Visited local employment offices to ascertain the current system of staff development. An assessment of the current system of staff development, together with a staff development handbook, will be documented and reported in Y2Q2.

2. E Support improvements to job-matching

2.E.1 Assess current job-matching procedures or practices, including client counseling methods, referral techniques and services provided to vulnerable groups. Evaluate how employers submit job vacancies and how job seekers find them.

- Questionnaires were prepared for a survey of clients of SESA. The survey is to be conducted in Y2Q2.

2. E.3 Strengthen capacity to analyze labor market and forecast supply and demand

- Implemented training on interviewing skills for 51 employment office staff per the request of the SESA Director. The training was based on an assessment of the training needs of the SESA staff who will conduct the second employers' survey in their local communities. The goal is to be able to use the results to forecast demand in labor market and employers' skill requirements. The interviewing skill training was conducted by the project's subcontractor: VGM partners. The training focused on specific instructions on how to use the survey questionnaire and how to conduct the interview to gain the employers' trust and obtain reliable data⁴².

2.E.4 Assist with developing labor market analysis and forecasting models.

- Agreed upon upcoming (Q2) STTA with the SESA analysis and forecasting department in this sphere.

³⁸ SPSS_FY08Q1_Oct26_PerfMeasuresAgenda_arm.doc;

SPSS_FY08Q1_Oct26_PerfMeasuresAgenda_eng.doc;

SPSS_FY08Q1_Oct29_PerfMeasures_WorkshopParticipants_arm.doc;

SPSS_FY08Q1_Oct29_PerfMeasures_WorkshopParticipants_eng.doc;

SPSS_FY08Q1_Nov07_PerfMeasEvaluationSum_eng.xls

³⁹ SPSS_FY08Q1_Nov01_AnnualEmplProgram2008_eng.doc

⁴⁰ SPSS_FY08Q1_Nov01_SESA Planning&ReportingIndicators_eng.doc

⁴¹ SPSS_FY08Q1_Nov07_STTAExitReport_TI_eng.doc; SPSS_FY08Q1_Dec03_

PerfMeasCommitteeMtgReport_eng.doc; SPSS_FY08Q1_Dec03_PerfMeasCommitteeMtgReport_arm.doc

⁴² SPSS_FY08Q1_Oct18_Interviewers Training_arm.ppt;

SPSS_FY08Q1_Oct18_introducfmemplsurvey_arm.doc;

2. E.5 Improve forecasting and analysis to: inform management, support policy reform, and program improvement. This includes: collection of labor-market data beyond firms registering with SESA and upgrading analytical capacity – either in-house or linking to other governmental or non-governmental groups (such as USAID-CAPS and AmCham and the Armenian Development Agency), developing labor-market models.
- Component Two staff met with the Swedish consultants to discuss how to establish future collaboration, for activities in labor market analysis and forecasting. Discussion included methods for support in expanding the technical knowledge of department staff. SPSS provided a translation of the Swedish indicator documents to the Forecasting and Analysis Department⁴³.
- 2.F Promote upgrade of SESA IT system; linking field offices to center and installing (in coordination with World Bank IT projects)
- 2.F.1 Assess IT requirements for a centrally-managed job bank with the following mechanisms uniform coding and categorization for vacancies, mechanisms for local input to a national job bank, mechanisms for countrywide distribution, and a link to a self-service job search mechanism.
- The MIS and Database management Strategy developed by the SPSS IT experts was shared with SESA. SESA's job bank will form a critical portion of the strategy.
- 2.F.2 Explore IT upgrades needed, including the job bank, interconnection with other Social Safety Net components, service to labor market projection function, self-service work stations for job seekers, and SESA MIS.
- A basic exploration of these issues was completed in the IT Strategy. Further work is on-going in the context of broader Ministry IT reform.
- 2.G Support improvements of vocational guidance and job (re) training.
- 2.G.1 Assist SESA to determine demand, identify provider supply, and pilot an outsourcing method using grants.
- Assessments of demand and provider supply were conducted during on-site visits to local employment centers. Work will be ongoing throughout FY2008.
- 2.G.2 Initiate NGO grant-matching program for job training: Design programs and procurement rules, reach GOAM agreement, oversee grants.
- This activity is dependent on the outcomes of 2.C, and work will be ongoing in Q2.
- 2.G.3 Assist SESA and employer stakeholders to develop a method to address Labor Market demand-supply shortfalls.
- Defined specific and achievable indicators for programs, including training programs, to assure their targeting to addressing labor market demand and supply shortfalls in Armenia.
- 2.G.4 Focus SESA training programs on most vulnerable populations.
- Planned in conjunction with development of SESA capacity. Expected deliverable in Y3.
- 2.G.5 Assist SESA to share labor market data with secondary and vocational education and training institutions to develop vocational guidance and career planning services for young job seekers (to be employable with demanded skills).
- Contingent on development of databases within SESA, expected to be completed in Y3.

⁴³ SPSS_FY08Q1_Nov30_Naring2006Prognos_eng.pdf;
SPSS_FY08Q1_Nov30_Offentlig2006Prognos_eng.pdf

2.G.6 Assist SESA to develop new services for employers aimed at supporting employers to provide customized retraining opportunities to continuously upgrade worker skills (to increase retaining).

- Portfolio of new services developed, planned to be delivered to SESA after renovation of model offices.

2.G.7 Analyze Armenia's status with regard to international conventions for labor classification including recommendations for next steps.

- Obtained the existing job classifiers developed by the NILSR. These papers are being translated for future reference.
- Procured materials from the US Department of Labor per the request of the National Institute Director. These books on career counseling, occupational guidance, and Job Classifications were presented to the Institute Director. It is expected that SPSS will provide translations of necessary materials in the coming quarters, as well as provide a short-term expert in the second quarter to provide expertise on the US job classification system.

2.G.8 Build capacity within SESA/NILSR to analyze occupational data to develop occupational codes and standards linked to employers' needs.

- Terms of reference were developed internally for a short-term expert to provide expertise on US job classifications.

2.G.9 Assess current status and needs of VET system using multiple approaches, including focus groups of students and recent graduates. (This will be used across all tasks and activities, involving labor supply and demand functions, such as career planning and training advice services). Assist post secondary institutions to utilize labor market forecasts in academic planning.

- Planned to begin Q2.

2.H Support improvements of SESA and NSS labor market survey, focusing on content, survey design, interviewing procedures, quality control, data management, and analysis and reporting.

2.H.1 Recommend improvements in survey content, design and reporting.

- Correlated to activities under 2.E.3; 2.E.4; 2.E.5.

3. COMPONENT THREE: OCCUPATIONAL SAFETY AND LABOR CODE

The Component Three team aims to coordinate at the Ministry level to reinforce and harmonize Armenia's achievement of its ILO Strategy for 2007-2011. The team continues to collaborate with the Labor Inspectorate with the aim to expand the LI's impact and build its capacity more effectively to carry out its mission of oversight.

This quarter, the Component Three team built on previous successes, in particular working with the Labor Inspectorate to streamline and harmonize its data collection process and help develop a functional database for storage. Component Three also collaborated with the Labor Inspectorate in international outreach, securing admission to the International Association of Labor Inspectorates (IALI), as well as focusing on public outreach through production of an employer handbook on occupational safety. Work undertaken during this quarter also built on the lessons learned from the previous quarter regarding the dispersal of inspection services throughout the government. A concrete plan, backed up by analysis of inspectorate coordination around the world, was produced for Armenia and disseminated to counterparts. Finally, work began this quarter on a study tour to Lithuania for Q2 or Q3 FY2008 for the Labor Inspectorate.

Lessons learned from this quarter centered mostly on the need for stronger strategic planning within the Ministry and the Inspectorate, and how these processes can be improved in both the annual planning (choice of firms to inspect) and the strategic planning arenas. Also reinforced was the emphasis of the Ministry and the Inspectorate place on regulations for occupational safety and health. Work for Q2 of FY2008 will be concentrated on both these regulations (including a comprehensive OSH regulation) and the improved administration of the Labor Inspectorate, especially as it pertains to data management.

3.A Promote adoption of needed amendments to Labor Code, and rules and regulations for labor rights

3.A.1 Analysis of gaps in current Labor Code for implementing Armenia's 2007-2011 ILO Strategy.

- At the request of the MLSI, a translation of ILO memorandum and comments on the draft amendments to the RoA Labor Code was completed and submitted⁴⁴.

3.B Promote Adoption of needed amendments to Labor Code, and rules and regulations for health and safety

3.B.2 Draft changes to Labor Code based ILO conventions, EU standards and public feedback. Write necessary rules and regulations

- Two notes regarding comprehensive OSH regulations were delivered to the Ministry. The first detailed the OSH regulations in two Canadian provinces and provided translations of the regulations' table of contents⁴⁵, while the second note described the comprehensive OSH regulations in Ireland and also included its table of contents⁴⁶.
- A Draft Government Regulation on Safety in Petroleum Stations and storage facilities was translated into English and delivered to the Ministry of Trade and Economic Development⁴⁷.
- A note regarding implementation of regulations concerning potentially explosive atmospheres was produced and translated, and was delivered to the Ministry at the end of the month⁴⁸ including two annexes: translation of EU ATEX implementation⁴⁹ guidelines and Cyprus guidelines for ATEX implementation⁵⁰.

3.B.4 Stimulate Tripartite public discussion of Workplace Safety Issues

- After participating in an ILO seminar on November 20th on OSH management systems, the component met with the Yerevan ILO office to outline a forthcoming seminar on social partnership and workplace safety issues. The Armenian Translation of ILO OSH Guidelines 2001 was passed to ILO coordinator⁵¹.

⁴⁴ SPSS_FY08Q1_Oct11_Labour Code amendments comments by ILO_ENG; SPSS_FY08Q1_Oct11_Labour Code amendments comments by ILO_ENG

⁴⁵ SPSS_FY08Q1_Nov15_NoteonOccupSafety&HealthRegulsCanada_eng; SPSS_FY08Q1_Nov15_NoteonOccupSafety&HealthRegulsCanada_arm

⁴⁶ SPSS_FY08Q1_Nov23_GeneralOSH regulationsIreland_eng; SPSS_FY08Q1_Nov23_GeneralOSH regulationsIreland_arm

⁴⁷ SPSS_FY08Q1_Nov19_GovernmnetDraftOilRegulationsNavt- kanon15.08A_arm; SPSS_FY08Q1_Nov19_GovernmnetDraftOilRegulationsNavt- kanon15.08A_eng

⁴⁸ SPSS_FY08Q1_Oct20_Suggestions on enforcement and implementation of explosives_eng; SPSS_FY08Q1_Oct20_Suggestions on enforcement and implementation of explosives_arm

⁴⁹ SPSS_FY08Q1_Oct29_atexguidelines_may2007_ENG; SPSS_FY08Q1_Oct29_atexguidelines_may2007_ARM

⁵⁰ SPSS_FY08Q1_Oct20_Information leaflet for ATEX-en CYPRUS_ARM; SPSS_FY08Q1_Oct20_Information leaflet for ATEX-en CYPRUS_ENG

⁵¹ SPSS_FY07Q4_Jul24_ILOOSH GUIDetranslation_arm; SPSS_FY07Q4_Jul24_ILOOSH GUIDetranslation_eng

3.C Continued modernization of Labor Inspectorate

3.C.2 Make recommendations for design of management information and IT system and write specifications

- Worked with NORK and Labor Inspectorate (LI) to troubleshoot the Access database that NORK had previously created for the LI. The information system had been developed in the scope of a World Bank project and installed at NORK in 2006, but had remained unused in Inspectorate. (The reported reason was that the system did not incorporate recent changes in the labor legislation as well as some other essential functional requirements.) SPSS, after learning of the background, initiated a process for software modification and improvement of the system while enhancing cooperation between NORK and the LI. STTA Robert Kusiak also helped to reform the database to encompass more and different data relevant to risk-based inspection system. The information system was installed at the Labor Inspectorate for pilot use at the end of the quarter.
- Established working procedures to encourage better dialogue between software users at the Inspectorate and developers at NORK. To that purpose a working group was set up including representatives from Labor Inspectorate, NORK, and the SPSS project. After several facilitation meetings all parties agreed on the process and the SPSS IT Specialist was tasked by counterparts with preparing the testing and acceptance procedure of all information system functions⁵². Finally, a customer acceptance procedure for a Labor Inspectorate Information System was produced, discussed, and agreed with LI and NORK.
- As part of an effort to expose the LI to strategic planning, the Bulgarian State Labor Inspectorate's annual plan was obtained and parts of it translated into Armenian and presented to the MLSI and LI⁵³. The translation of 2006 Polish Program on national activity plan was also presented to MLSI and LI⁵⁴.

3.C.3 Assist LI to issue regular reports on labor issues, and provide outreach programs for the private sector, labor unions, and employees.

- A handbook⁵⁵ for employers regarding occupational safety and health, including their obligations, what to expect from the Labor Inspectorate, and how it can be promoted in Armenia, was created, revised and checked by the Ministry, and set for publication in December. It is currently undergoing final formatting for distribution in Q2.
- A proposal was drafted for the design of the State Labor Inspectorate logo, a competition was announced, and designs were evaluated. After consultation with the Ministry and the Inspectorate, a firm was chosen to create a design, and a choice will be made in Q2.

3.C.4 Conduct annual survey of business community views on LI performance, transparency and practices.

- Subcontractor VGM Partners concluded a survey of 200 firms throughout Armenia on their work with the LI and their perceptions of the Labor Code. At the end of the quarter, this survey was integrated with the earlier expert survey to form a document to be presented publicly in Q2.

3.C.5 Promote establishment of efficient, effective complaints mechanism.

- A preliminary investigation was started into the current complaints mechanism at the Labor Inspectorate, and several inspectors were sought for information. The current system is largely ad hoc.

⁵² SPSS_FY08Q1_Oct25_LIinformationssystem

⁵³ SPSS_FY08Q1_Nov30_PartsAnnualReportBULGARIA_Eng;

SPSS_FY08Q1_Nov30_PartsAnnualReportBULGARIA_Arm

⁵⁴ SPSS_FY08Q1_Nov30_laborInspectorActivityPOLAND 2006_ARM;

SPSS_FY08Q1_Nov30_laborInspectorActivityPOLAND 2006_ENG

⁵⁵ SPSS_FY08Q1_Dec5_Employer HandbookMLSI_ARM; SPSS_FY08Q1_Oct22_Handbookdraft19.25.07 letterhead_eng

3.C.6 Assist LI to establish complaints hotline.

- It is expected that establishment of the complaints hotline will begin after the presentation of the VGM Partners study in February and with the arrival of STTA to ensure the correct management structure behind any new technology.

3.C.7 Provide training on data collection and analysis such as wage and skill surveys, MIS/IT systems and changes in business processes.

- A two-day seminar was held December 17 and 18 at NILSR at their invitation, focusing on international best practices in labor inspection and their applicability for Armenia. Approximately 30 labor inspectors attended the training⁵⁶.
- Armenia's application to IALI was accepted, and the State Labor Inspectorate is now an associate member of the organization.

3.E Introduce risk-based enforcement

3.E.1. Adopt and implement action plan, informed by the assessment, that: rationalizes staffing and adopts principles of "risk-based enforcement", introduces transparent and accountable management systems, links incentives to performance, provides checks and balances, strengthens supervision.

- Component Three held a seminar on December 19, 2007 at the SPSS offices on data improvements and risk-based analysis in Ontario and in Armenia. Led by STTA Robert Kusiak, the seminar explored the basis of Ontario's planning process and data utilization and how such a system could be adapted in Armenia. Representatives of the Labor Inspectorate, the SSIF, the National Technical Safety Center, SMEC, and the NSS attended⁵⁷
- At the request of LI, STTA Robert Kusiak prepared and delivered a brief note on risk-based enforcement mechanisms and data methods in Ontario⁵⁸.
- Two papers were produced for the government on broader inspectorate reform: the first paper addressed the international experience in inspectorate coordination, while the second specifically noted how these innovations could be adopted in Armenia. The papers are being circulated to the MLSI, the LI, the MTED, the Prime Minister's Office, and on the SPSS website⁵⁹.

3.E.2 Collect and analyze data on firms and industries, and create data bank. Improve LI capacity to collect and analyze data as well as maintain data bank.

- STTA Robert Kusiak charted the flow of data within the Labor Inspectorate and other government agencies to ascertain the presence of needed data for risk-based analysis. Obstacles to creating the data bank were catalogued and will be tackled in Q2⁶⁰.

⁵⁶ SPSS_FY08Q1_Dec18_NILSRpresentationDAY2LABOR_eng;

SPSS_FY08Q1_Dec18_NILSRpresentationDAY2LABOR_arm;

SPSS_FY08Q1_Dec17_NILSRpresentationDAY1LABOR_eng

SPSS_FY08Q1_Dec17_NILSRpresentationDAY1LABOR_arm

⁵⁷ SPSS_FY08Q1_Dec12_RiskBasedAnalysisSeminar_eng;

SPSS_FY08Q1_Dec12_RiskBasedAnalysisSeminar_arm; SPSS_FY08Q1_Dec20_RiskBasedTraining Event Report Form

⁵⁸ SPSS_FY08Q1_Dec5_OccupationalSafetyRiskManagementinOntario_eng;

SPSS_FY08Q1_Dec5_OccupationalSafetyRiskManagementinOntario_arm

⁵⁹ SPSS_FY08Q1_Nov7_InspectorateReforminArmeniaPlanforReform_eng,;

SPSS_FY08Q1_Nov7_InspectorateReforminArmeniaPlanforReform_arm;

SPSS_FY08Q1_Oct31_InternationalExperiencewithInspectorateReformdraft10 31 07_Arm;

SPSS_FY08Q1_Oct31_InternationalExperiencewithInspectorateReformdraft10 31 07_Eng

⁶⁰ SPSS_FY08Q1_Dec21_TSG Armenia STTA Exit Report Kusiak2

3.E.3 Propose criteria for selecting high-risk firms.

- STTA Robert Kusiak advised the LI on utilizing accident and injury data collected in a large number of locations within the government to rank high-risk firms. The proposed system would focus on recent accidents more heavily than historical accidents and determine risk from the severity of accidents compared to an industry-wide norm.

COMPONENT FOUR: SOCIAL ASSISTANCE TO VULNERABLE POPULATIONS

Component Four has continued to make progress toward its work plan. This Quarter was particularly successful in accomplishing a number of key tasks: analyses, reports, discussions, events in different spheres of social policy improvement, with different stakeholders. The team has participated in different project-related discussions and major events along with MLSI, Mission East, PRSP working group, World Vision, Fund Armenian Relief (FAR), and UNICEF. The first quarter of FY08 component-related events included the following:

- Presented full report on project outcomes and achievements to MLSI and discussed work plan and events calendar until end of year.
- Organized a study tour to Lithuania, as starting point for elaboration of a Social Protection Strategy. Produced summary on reports of the study tour for MLSI policy makers on Social Protection (Inclusion) Strategy to the Lithuanian Ministry of Social Issues.
- Organized roundtable discussion on “Legal framework of community Social Planning” with participation of Communities representative, NGOs, and international organizations.
- Completed analytical report (with recommendations) on targeting efficiency for the existing Family Benefit Program that is currently under translation.
- Completed Grant Agreements on day care centers in cooperation with MLSI and first payments processed.
- Developed Monitoring Guideline for future grant monitoring.

4.A Strengthen social safety net programs

4.A.1 Advise on social safety net policy. Elaborate strategy on social assistance. Clarify state responsibility in provision of social assistance.

- From October 14-20, 2007, SPSS supported a team of eight MLSI key policy-makers to visit Vilnius, Lithuania on a Social Protection Strategy study tour. The study tour aimed to provide training to the Armenian team on key policy priorities, European approaches and integrative and inclusive methodology issues via high-level interactions with government officials and experts in social protection reform strategy. Following the tour’s completion, SPSS and MLSI closely collaborated to hold a follow-on review meeting/presentation and evaluation of the experience, as well as to delineate the next steps in developing a Policy outline for integrated social protection strategy in Armenia. Component Four also produced summary on reports of the study tour⁶¹.
- Presented a full report on project outcomes and achievements to MLSI and discussed work plan and events calendar until end of the year.
- Provided translation of package on the Elderly report⁶² (including a questionnaire, social situation analysis, and survey sampling) to the MLSI working group for upcoming discussion on nationwide survey for formulating an Elderly Strategy.

⁶¹ SPSS_FY08Q1_Nov30_Lithuaniastudtourrpt_eng

⁶² SPSS_FY08Q1_Dec10_Questionnaire_eng; SPSS_FY08Q1_Questionnaire_arm ;
SPSS_FY08Q1_Dec10_PresentElderlyState_eng; SPSS_FY08Q1_Dec10_PresentElderlyState_arm;
SPSS_FY08Q1_Dec10_Sample1_eng

- Signed an MOU with Mission Armenia and Communities Association of Armenia as an agreement to cooperate on establishing sustainable approaches for community-based needs assessment, planning and local government social contracting to NGOs. Drafted a work plan for this collaboration which begins with a roundtable.
 - Continued cooperation with LSG associations and identification of needs in that field. To this purpose, a roundtable discussion was held December 14 on “Legal Framework of Community Social Planning” with participation of community representatives, NGOs, and international organizations. The roundtable discussed challenges in the sphere of social planning and recommended an action plan for future cooperation, which also involved the main government institutions MTA and MLSI⁶³.
 - Completed an analytical report (with recommendations) on targeting efficiency for the existing Family Benefit Program, currently being translated to Armenian.
 - Completed results of a survey on Questionnaires on Improvement of the Family Benefit (FB) System and produced report, currently being translated.
 - Translated and provided to MLSI the Digest of Case Law within the framework of European Social Charter⁶⁴.
 - Completed the analysis of the impact of social transfers on poverty using ILCS data. Presented findings at the press-conference held at the NSS RA December 21⁶⁵. (The report will be delivered in January.)
 - Produced and presented comments on Civil Society Institute’s concept paper in the PRSP framework.
 - Supported coordination and dialogue through active participation in professional discussions, seminars on social economic changes within the framework of staff capacity improvement, information sharing and development, particularly:
 - October 15: participated at the Presentation of project outcomes by “Havat” (Hard-Hearing Children’s Mothers), an NGO funded by the British government.
 - October 24: Participated in UNICEF conference for Midterm review of UNICEF – GOAM Child Protection country program.
 - October 19: Met with Mission East and visited Karakert Disabled Children’s Parent Club and Armavir Arabkir Center.
 - November 14: Participated in UNICEF donor coordination on Child Protection country program.
 - November 26: Participated in discussion on Social Integrated Service Assessment working group with MLSI Advisor of Minister.
 - December 18: Participated at the Round Table discussion on Social Partnership within PRSP
 - December 19: Participated in “Mission East” presentation of the results of its Survey of Household with Disabled Children in 11 communities of Armavir Marz.
- 4.A.3 Elaborate methods and mechanisms for needs assessment and targeting. Develop survey to evaluate targeting efficiency of social assistance provision.
- An analytical report with recommendations on improving the efficiency of targeting was finalized and translated; it is scheduled to be delivered in January. The report recommends the implementation of new mechanisms of targeting as a pilot in two regions, with an evaluation of its efficiency at the end of the year.

4.A.5 Explore establishing legal clinic to provide legal advice on social services.

⁶³SPSS_FY08Q1_Dec14_RoundTableReport_eng

⁶⁴SPSS_FY08Q1_Oct24_EuropeanCommitteeofSocialRights_arm

⁶⁵ SPSS-FY08Q1-Dec21_ SocialSnapshot&PovertyReport_eng

- An internal discussion was held and report on providing legal advice was compiled, analyzing the merits of different NGOs and university aid clinics in providing legal advice. The discussion resolved that engaging AUA on this issue would be effective, and discussions will be on-going throughout Q2 for establishment of the clinic.

4.A.6 Development of disabled registration information system for SMEC.

- Prepared a draft Request for Proposals for development and implementation of a disabled registration information system was. System requirements were discussed with SMEC and NORK center.
- Announced Request for Proposals⁶⁶ for the development and implementation of Information System automating disabled persons registration at Medical-Social Examination Agency of the MLSI.
- The selection committee (members from SPSS, NORK center and SMEC) decided to select “CHS Vericel Service” LTD⁶⁷ for the mentioned project.

4.A.7 Development of Information system for children without parental support.

- Assessed information system for registration and identification of status for children in orphanages and other similar institutions “MANOUK”, in NORK center.

4.B Assist in social contracting with non-state stakeholders

4.B.1 Refine instruments for increasing NGO and other parties’ participation in social service provision.

- Revised Grant Agreements and attachments to the Agreements for Day Care Service Centers for disabled individuals.
- Continued active participation in events and discussions on the social-contracting issues and NGO participation in social service provision, particularly:
 - Participated at the Conference “NGO and Government consistent Dialogue: Current Situation and Perspectives” organized by the Professionals for Civil Society Public Organizations to obtain information on the current status of social contracting in outlying areas.
 - Participated at the workshop held by “Havat” (Hard-Hearing Children’s Mothers), an NGO workshop on integrated education to gain clearer understanding of the challenges in service provision to this vulnerable group.

4.B.2 Design and pilot cost-effective methods for subcontracting by grant matching programs.

- Completed an assessment of capacity of regional grantees within the framework of capacity building of NGOs. Particularly, visited Chambarak “Astghatsolk”, disabled children's PO, “Full Life” PO Mental Health foundation with the MLSI representative.
- Grant Agreements were revised and first payments were processed for 5 NGOs.
- Reached agreement with World Vision to provide training for social workers and Art therapists of day care services in the 5 NGO-grantees
- Assessed service provision in a private orphanage with the purpose of preparing an anticipated RFP for the development of independent living skills of orphanage graduates. For that reason, visited the following programs currently funded by other donors:
 - October 17- to "Mer Tun" PO
 - October 19- to "Tsiatsan" NGO

⁶⁶ SPSS_FY08Q1_Dec05_RFP_MIS_Disabled_Eng

⁶⁷ SPSS_FY08Q1_Dec10_MIS_Disabled_Tender_Evaluation_Eng

- Developed monitoring guidelines based on discussions with MLSI representatives on further Project Monitoring issues.
- Instructed grantees for development of qualitative monitoring indicators.

4.B.3 Develop public outreach program with NGOs concerning children's issues and social rights.

- Subcontractor ARS developed a questionnaire on NGO-provided social services and distributed to ARS branch offices. This questionnaire was based on an assessment of existing information on social services via primary and secondary sources (websites, annual reports, guides).
- ARS also began to design a guide on the social rights of citizens; the guide is expected to be completed in Q2.

4.C Promotion and support of social work as an academic discipline and career path

4.C.1 Establish professional status of “Social Worker”.

- Continued background research on curricula to organize appropriate social work education for targeted paraprofessionals.
- Organized two training sessions for Social Workers and Art Therapists of grantee day care services for 15 participants from four NGOs at World Vision⁶⁸.
- Designed and proceeded toward publication of MLSI Home Care Services Question and Answer booklets. This publication will help potential recipients and social workers achieve common understanding of eligibility, rights and procedures.

4.D Assist in clarifying new regulations and legal rules underlying social safety net

4.D.1. Improve existing legal and regulatory basis for promoting social contracting with non-state social service providers.

- Developed proposals on improvement of the Law on Local Self Government to establish the legal framework for local social planning, budgeting and outsourcing of services. Based on the discussion and conclusions regarding these proposals at the upcoming roundtable and other venues, the final Draft Law on Amendments in the Law on Local Self Governance shall be developed for MTA and MLSI. The Draft of Proposals in the Law on Local Self Governance was developed to provide legal mechanisms for social contracting on local level⁶⁹.
- Defined specification, audit, quality control and monitoring methods.
- Discussed and presented monitoring program and work plan for started Grant projects on Day Care Service Centers for disabled individuals in the framework of capacity building at MLSI and providing sustainable approaches in social contracting.

4.E Assist with operationalizing social safety net laws

4.E.1 Identify terms and good operational conditions.

- Negotiations concerning problems with current regulations, for example concerning disabilities, social assistance, and other areas of the safety net, are currently in process with the MLSI. Timing of specific activities will be finalized in Q2 and deliverables are schedule for the end of FY2008.

4.E.2 Propose new draft regulations to improve Social Safety Net functioning.

- Legal recommendations are being developed in the areas of social assistance targeting and social contracting, as discussed above.

⁶⁸ SPSS_FY08Q1_Nov_Novtrainingevaluations

⁶⁹ SPSS_FY08Q1_Oct26_Locselfgovernlawcomments_eng

5. CROSSCUTTING ACTIVITIES

5.A Information, Education, Communication (IEC) and Public Relations

- Table 1 in Section 8 presents all trainings and events conducted during the reporting period.
- Other activities included:
 - **Training evaluations:** training evaluations were summed up for the month of October and November⁷⁰. The summary of December's evaluations will be complete in January 2008.
 - **Information materials:** Revised the project factsheet to include Year 1 accomplishments and statistics. The project website was launched, including sections on Project Overview, Component Activities, Activity Calendar, News, and Resources.
 - **Internship program:** SPSS launched its Student Internship Program to reinforce and strengthen the student interns' personal values and career objectives through an improved understanding of themselves and the work environment, assist in identifying and acquiring the skills needed to enter the social protection field, and to allow students to meet and learn from professionals in the field. Recruitment went for the first participant.

5.A.1.7 Development of Document Flow System for MLSI

- Prepared specifications for development and implementation of Document Flow System for MLSI and submitted to NORK/MLSI for acceptance.
- Identified system requirements with MLSI secretariat and NORK center. Based on the system requirements project budget estimations were done. After consultations with USAID/Armenia procurement procedure was selected and draft RFP was developed.
- Announced Request for Proposals⁷¹ for development and implementation of a disabled registration information system. More than 15 organizations requested an application package. Four offers were received and evaluated, and a winning company was selected.

5.A.2 Component 1 – IEC

5.A.2.1 Arrange information, education, communication events to improve familiarity with pension issues

- An expansion of these activities is planned for Q2 and Q3 in tandem with the relocation of the SSIF as part of the MLSI.

5.A.2.3 Conduct surveys, focus groups, and other information collection activities.

- Planned for Q2 FY2008.

5.A.2.4 TA and training to MLSI, SSIF, civil society organizations, and media.

- See above under Component 1. Representative trainings include the training on the pension model at the National Institute and the business process analysis at SSIF.

5.A.2.6 Design and implement information, education, and communication materials and events to facilitate discussion on pension law.

- Planned for Q2 FY2008.

5.A.3 Component 2 – IEC

5.A.3.1 Design and implement a public outreach campaign including production of brochures, round tables, and seminars on employment services for employers and employees.

⁷⁰ SPSS_FY08Q1_Oct26_Octtrainingevaluations_eng; SPSS_FY08Q1_Nov_Novtrainingevaluations

⁷¹ SPSS_FY08Q1_Dec05_RFP_MIS_DocFlow_Eng

- Round tables and conferences are noted above, including the Labor Market Trends and Challenges conference.

5.A.3.2 Aggressively expand recording of job vacancies through greater outreach to employers.

- The Job Fair represented the Project's aggressive outreach to employers and is described in detail above.

5.A.3.3 Capacity building training and a study tour (Bulgaria, Slovenia, or Serbia) for SESA and regional offices on customer satisfaction and employer relations, partner collaboration, M&E, vocational guidance, job classification, job clubs.

- Agreement was reached with AED regarding the outline of a study trip to the Balkans for SESA. Continued effort in Q2 will aim to define the details for this trip.

5.A.4 Component 3 – IEC

5.A.4.2 Design and implement information, education and communication campaign including publishing materials and organizing press conferences and round tables.

- Agreement was reached with the Ministry and LI regarding the employment handbook noted above, and publication is slated for Q2.
- The VGM Survey noted above will be utilized to increase awareness of the Labor Inspectorate role and how it can be more responsive to businesses.
- The LI logo competition noted above will also be used to “re-brand” the Inspectorate as a forward-thinking organization. The logo should be completed in Q2.
- The Roundtable on Risk-based analysis in December was noted above.

5.A.4.3 Capacity building training for LI and MLSI on high risk industries such as construction and mining (study tour to Eastern European country), and on international experiences.

- Agreement was reached with AED and the LI on the terms for a study tour in FY2008 to Lithuania. A tender was announced at the end of Q1 and a firm to organize the tour through AED will be selected in Q2.

5.A.5 Component 4 – IEC

5.A.5.1 Support of development of an internal stakeholder awareness campaign by arranging education, information, communication events and materials.

- Actively involved in the organization of the Disability International Day on December 3, aimed to promote understanding of disability issues and mobilize support for the dignity, rights and well-being of persons with disabilities. SPSS supported by financing the rent of hall, preparing event program, printing and disseminating invitations and posters, and participating in follow-up events with MLSI and other international donors⁷².
- Involved in the public campaign in a joint training planning session on Domestic violence in Armenia with MLSI Department of Women and Children's issues. Assumed to start first PR campaign on December 26 in the Lori Marz. Developed a questionnaire on social work awareness against domestic violence.

5.B Policy, regulatory, and legislative review, drafting and promotion

5.B.2 Apply international best practices and lessons learned.

- At the request of MLSI, SPSS organized a Round Table discussion on the Responsibilities assumed by the Republic of Armenia by ratifying the Revised European Social Charter and Social

⁷² SPSS_FY08Q1_Nov14_TORdisabled

Right European Committee Commentary on the First National Report. The Round Table discussion took place in Yerevan on December 12, 2007, in the SPSS conference hall.^{73 74}

- Participants in the Round Table included specialists from various ministries (Ministry of Justice, Ministry of Education, Ministry of Territorial Administration, MLSI, Ministry of Health, Ministry of Finance and Economy, Ministry of Trade and Economic Development, Ministry of Urban Affairs) and the Police, the Statistical Service, SSIF, Employment Service, NILSR and ILO.⁷⁵
- The main purpose of the Round Table was to inform specialists of ministries and agencies about conclusions of the Social Committee on social rights and to explain the requirements and measures that should be taken by Armenia to meet obligations of European Social Revised Charter.
- Armenia signed the European Social Revised Charter in January 21, 2004. The first National Report within the Social Revised charter for the period of 2001-2004 was submitted in March 2006. The conclusion of the Social Committee on Social Rights about the first National Report of Armenia was received in June 2007.
- The extensive assistance was provided by the SPSS project staff. A package of printed materials regarding the topic of the Round Table was distributed to all participants of the Round table. The package includes: Digest of the Case Law, which was translated by SPSS into Armenian as well⁷⁶, Conclusions of the Social Committee on Armenia first Report in English and Armenian, Armenia First Report submitted to Social Committee, and the European Social Revised Charter in English.
- SPSS Local Legal Expert conducted a presentation on the conclusions of the Social Committee, on comments and recommendations given and additional information to be submitted by the request of Social Committee and measures which should be taken by Armenia within the European Social Revised Charter.⁷⁷
- Armenia must submit the second report on categories of social rights by the end of February 2008. It should include the following categories of social rights: Employment, education and equal opportunities (Article 1, 9, 10, 15, 18, 20, 24 and 25 of the European Social Revised Charter).
- The suggestion to form regular working group to prepare Armenia second report and subsequent reports on Social Revised Charter was discussed. The specialists of all related Ministries should be involved in this working group to prepare the second National Report.
- SPSS staff will assist specialists of MLSI and other Ministries to prepare the second National Report on a timely basis.
- SPSS staff will continue to assist MLSI and other ministries to develop draft laws and other legal acts, amendments in the acting laws and legal acts to meet CoE standards.

5.C IT and administrative system design (IT)

5.C.1 Promote adoption of IT Strategy

- Initiated preliminary discussions with the counterparts; MLSI representatives generally accepted the proposal of an Information Policy Unit.
- Organized retreat with the involved counterparts, which included an official presentation of recommendations for the development of Information Strategy and further discussions of ICT strategy for Social Protection system and data exchange issues⁷⁸.

⁷³ SPSS_FY08Q1_Dec12_ERSCTRoundTableReport_eng

⁷⁴ SPSS_FY08Q1_Dec10_RTsummary_eng & SPSS_FY08Q1_Dec12_ESRCharter_arm

⁷⁵ SPSS_FY08Q1_Dec10 RTAgenda eng & SPSS_FY08Q1_Dec10 RTAgenda arm

⁷⁶ SPSS_FY08Q1_Dec12_EuropeanCommitteeofSocialRights_arm

⁷⁷ SPSS_FY08Q1_Dec12_ESRCharter_eng & SPSS_FY08Q1_Dec12_ESRCharter_arm

⁷⁸ SPSS_FY08Q1_December14.15_IT_Agenda&List_of_participants, SPSS_FY08Q1_Dec14_ITStrategy-Intro_rus, SPSS_FY08Q1_Dec14_ITStrategy-Vision_rus, SPSS_FY08Q1_Dec14_ITStrategy-ActionPlan_rus

5.C.2 Create electronic instruments to establish communication between government and civil society.

- Planned Q2 FY2008.

5.C.3 Establish information portals including developing websites with interactive capacity.

- Planned Q2 FY2008.

5.C.6 Development of Document Flow System for MLSI

- Prepared specifications for development and implementation of Document Flow System for MLSI and submitted to NORK/MLSI for acceptance.
- Identified system requirements with MLSI secretariat and NORK center. Based on the system requirements project budget estimations were done. After consultations with USAID/Armenia procurement procedure was selected and draft RFP was developed.
- Announced Request for Proposals⁷⁹ for development and implementation of a registration information system for the disabled. More than 15 organizations requested application package. Four offers have been received and evaluated, and the winning company has been selected.

5.C.7 Development of automated information exchange system for all data in the social sphere

- Planned Q2 FY2008.

5.D IT and other commodity procurement (ITP)

5.D.1 Build capacity for IT equipment procurement.

- RFP for development of Information Systems for disabled registration at SMEC and Document Flow System for MLSI were developed in close cooperation with NORK center.
- CIO of NORK center participated in evaluation of bids for development of Information Systems for disabled registration at SMEC and Document Flow System for MLSI.

5.E Anti-corruption initiatives

- To assist in broader anti-corruption initiatives and to coordinate with the new USAID anti-corruption program, team leads put together a list of anti-corruption linkages from the SPSS project and nominated Arsen Manukyan as SPSS's liaison with the government's new anti-corruption working group.
- The MOU signed with SSIF on December 17 contains provisions on assessing business processes of SSIF, which will help combat fraud and corruption in the processing and distribution of pensions. Business process evaluation will begin in Q2.
- The VGM survey of firms on the Labor Inspectorate and Labor Code included questions on business experience with corruption, with the heartening result that most firms did NOT experience corruption on a regular basis from inspectors. The survey did show where anti-corruption initiatives could be better targeted from the point of view of businesses.
- A handbook for employers on occupational health and safety was completed (see Component 3 above), with an eye towards apprising them of their rights in relation to regulations. The manual spells out clearly the legal obligations of firms but also their rights and responsibilities, and, given the official imprimatur of the handbook, should help to curb excesses of inspectors and reduce corruption during inspections.

⁷⁹ SPSS_FY08Q1_Dec05_RFP_MIS_DocFlow_Eng

- Corruption was highlighted as an issue as part of the push for broader inspectorate reform and in the two pieces done on inspectorate coordination, with “complex inspections” advocated as a way to reduce rent-seeking opportunities.
- The logo competition for the Labor Inspectorate was undertaken in a fair and transparent manner, including the solicitation for bids, the selection of a winning designer, and the ongoing consultations on the final product.
- The grants program of Component 4 on “Community Day Care Center for Disabled Individuals” produced a draft of monitoring guidelines for grantees, while finalizing a Grants Policy-Procedure Manual. This assistance is intended to introduce financial oversight and discipline in grant administration.
- A public relations capacity building and skills development training (3-4 November 2007) for the leading decision makers of the Ministry and affiliated agencies organized by SPSS had a strong anti-corruption component, advancing the idea that civil society and media should serve as a watch dog for government.
- Publication of the manual on “Care services to elderly and disabled citizens” jointly by the MLSI Disabled and Elderly issues Department and Component 4 occurred in this quarter in an attempt to make the provision of services more transparent and accessible for Armenian citizens. The manual provides citizens with clear instruction on their rights and ability to exercise them and the relevant service obligations. Four thousand copies of manual will be widely distributed among all social workers involved as well as beneficiaries of the service in Q2.

5.F Gender

- For the report period, 928 people attended SPSS Project events, of which 455 were men and 473 were women.

5.G Monitoring and Evaluation

- Launch of joint MLSI SPSS grant project necessitated development of monitoring mechanisms. Project monitoring team was formed for “Day Care Center Services for Disabled Individuals” grant projects monitoring implementation. Project monitoring group is represented by the team of MLSI and SPSS Project members. Project Monitoring Guidelines were developed by SPSS Project and presented to the monitoring group. Main topics of the presentation were monitoring procedures and indicators developed in the attachment to the grant agreement during the pre-award stage. Following monitoring group presentation the plan of action for Monitoring activities is developed for joint working group activities. NGOs are instructed to develop logical frameworks of grant projects and qualitative indicators of project outcomes. Developed materials will be shared and discussed with the monitoring team and will serve as a base for grant monitoring. The SPSS team will continue building M&E capacity by continuing discussions on logical framework planning, project indicator development and outcome assessment for MLSI social grant projects.

5.H Sustainability Strategies

- SPSS interventions across all sectors have a strong emphasis on sustainability, which was reflected in Q1 in the number of trainings that were conducted by all components. This quarter each component began to focus on performance management in particular agencies (SESA, LI), as well as disseminated these ideas widely within the organizations. Continued emphasis on strategic planning over the coming quarters will help to buttress these gains and allow for sustainable use of resources and absorption of assistance over the life of the project.
- In addition to systemic sustainability, the project has also focused on physical sustainability, beginning renovations of the NILSR building in this quarter and exploring the physical rehabilitation of model employment centers in 3 regional cities.

5.1 Grants Management

- During the first quarter of FY 2008 five local non-governmental organizations were awarded grant funding under a the RA Ministry of Labor and Social Issues and the USAID Armenia, Social Protection Systems Strengthening (SPSS) Project “Day Care Center Services for Disabled Individuals” grant projects started in November. SPSS project works to build the capacity for social services delivery for selected under grant funding non-governmental local organizations. Within the framework of social NGO capacity building trainings were conducted for social workers and art therapists (please see Component Four) of the day care centers.
- Grant Manual comprised of grantee handbook and internal grant making procedures are finalized and are available in English and Armenian languages.

6. OVERALL PROGRESS

6.A Progress Towards Work Plan Objectives

The work plan of SPSS guides the steps reported above. At present, the progress toward larger project goals and objectives is on the correct path and within the anticipated timelines. Corrections have been made within the 2008 work plan. The most significant influences are the shifts in political climate and administrative reorganizations, which may slow the progress of pension reform and the diversion of resources to material, rather than technical, assistance.

6.B Progress Towards USAID Armenia FY2008 Targets

The SPSS project is an implementing mechanism of the USAID Armenia Mission approach to investing in people and supporting economic growth with targets for Program Elements displayed in the table below.

Indicator Name	FY'07 Target	FY'07 Result	FY'08 Target
3.3.1. (a) Number of Social Protection Policy Reforms Drafted, Adopted or Implemented With USG Support	N/A	1	9
3.3.1. (b) Number of Nationwide Poverty/Vulnerability Mapping Efforts Being Supported	N/A	0	2
3.3.2. (a) Number of people benefiting from USG-supported social services	N/A	150,620	160,000
of total: male		84,930	90,000
female		65,690	70,000
3.3.2. (b) Number of USG-assisted organizations and/or service delivery systems strengthened that serve vulnerable populations	4	5	5
3.3.3. (a) Number of people benefiting from USG-supported social assistance programming	N/A	547,250	550,000
of total: male	N/A	307,000	330,000
female	N/A	240,250	220,000
3.3.3. (b) Percent of total eligible persons receiving assistance through USG-supported social assistance programming		57%	67%
4.6.3. (a) Number of new improved workforce development policies drafted through USG assistance	N/A	58	9

The targets for FY2008 are an increase over FY2007 (when the Project was focused on forging working relationships with key counterparts), and reflect both the acceleration of assistance and the

realistic estimates of the Project's abilities given the political climate and aforementioned relationships. In particular, the Project will continue its assistance in creating and augmenting the legislative framework in the social protection sphere, working with the MLSI to support better policymaking. Work in meeting European and international obligations will accelerate, as, concomitantly, will the number of legislative reforms supported by SPSS, including in the fields of pensions reform, occupational safety and health, and workforce development.

In addition to the legal environment, the Project is assisting the MLSI and its agencies to better administer its programs, and 2008 will see an expansion of beneficiaries of assistance as targeting is improved. Part of this process will also include a comprehensive mapping of poverty in the country in order to more effectively design assistance programs and allow the Ministry a clearer picture of what needs to be done to improve the well-being of the Armenian populace. Hand-in-hand with improved targeting will be education and public outreach initiatives to inform the population of their rights under the new social safety net; the success of this initiative should be reflected in a higher proportion of eligible persons receiving assistance.

The final, and perhaps most important, facet of the SPSS Project's work in the context of these Program Elements is not only to increase the effectiveness of social assistance, but to help transition the country away from assistance and into the labor force. For these goals, the SPSS Project remains focused on increasing labor flexibility through reform of the Labor Code, while at the same time working with other USAID projects in providing training and opportunities for the most vulnerable populations. The continued success of the grants program with social sector NGOs will also help to develop capacity within the private sector and help spread knowledge equally across genders.

7. ISSUES AND STRATEGIES

The upcoming Presidential elections, scheduled for February 2008, continues to influence relations with counterparts, as the Ministry has become increasingly risk-averse and less willing to implement administrative reforms possibly perceived as unpopular so close to an election. This has impacted the pension component most strongly, and the reorganization of the Social Insurance Fund under the Ministry's purview will affect not only pension policy, but the entire assistance package of pension administration that the Project has planned for 2008. There is hope that the need for effective administration will become apparent in the transition to a Ministry-controlled pension fund, and the Project can exploit this opportunity to further assist administrative reform.

In addition to the political pressures exerted on the Ministry (or perhaps because of them), the Project is expanding its list of partners during the next fiscal year, in order to bring together some of the disparate knowledge and competency in social protection that is scattered throughout the government. While the MLSI remains the prime counterpart, a prime thrust of the Project will be to integrate the Ministry's work with other governmental agencies (such as the Ministry for Trade and Economic Development and the Ministry for Territorial Administration) pursuing the same end. Additionally, increased outreach in tripartite discussions and social contracting will help to broaden the inclusiveness of the project while remaining focused on the Ministry's core mission.

Finally, the continuing work on the European Social Charter and the desire for EU accession will continue to form a powerful driver for MLSI actions. The SPSS Project is poised to help the Ministry in achieving some of its goals, in both the legislative and administrative sphere, and the goal of EU harmonization will be a carrot for the Project to use in the future.

8. TABLES AND CHARTS

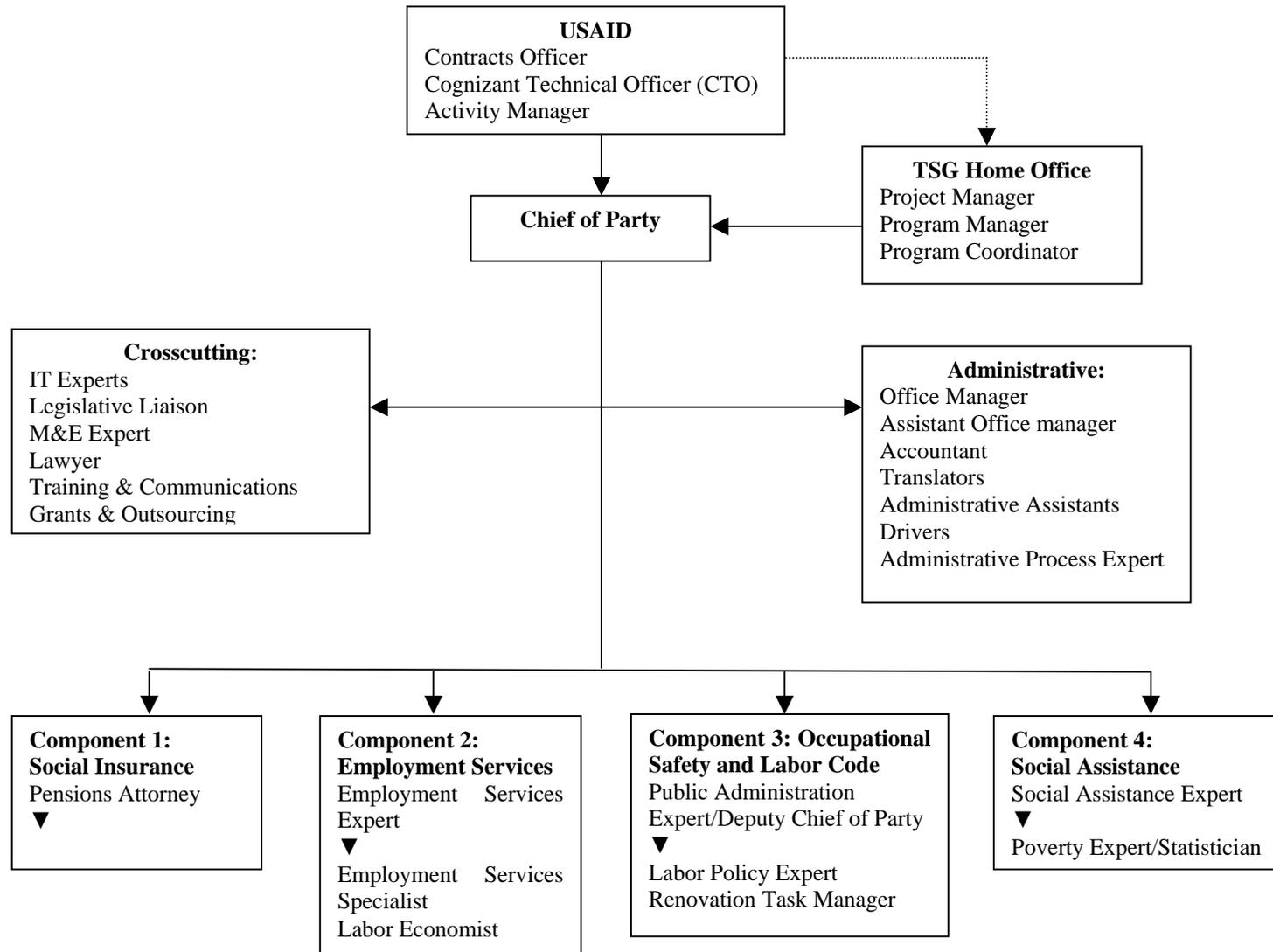
Table 1: Accumulated Training Numbers Organized by TSG

(October – December FY 2008)

#	Name	Organized by	Place	Date FY 2008	Total Number of Participants	Male	Female
1	Training on Job Fairs for Employers	TSG RA MLSI	Yerevan	Oct. 3	63 employers	35	28
2	English Club- Reducing Social Vulnerability	TSG	Yerevan	Oct. 5	10	3	7
3	Presentation on Social Reform	TSG	Yerevan	Oct. 10	40	15	25
4	SPSS Update- Briefing to US Embassy, USAID	TSG	Yerevan	Oct. 11	9	4	5
5	Pension Reform Presentation	TSG	Yerevan	Oct. 12	25	20	5
6	English Club- Consumer Rights and Business Competition through Commerce Regulations	TSG	Yerevan	Oct.12	10	3	7
7	Presentation on Social Reform	TSG	Yerevan	Oct. 12	16	8	8
8	Job Fair – Find What You Seek	TSG RA MLSI	Yerevan	Oct. 13	96 employers	53	43
9	Training on Interviewer Skills	TSG VGM Partners	Yerevan	Oct. 16	22	10	12
10	Training on Interviewer Skills	TSG VGM Partners	Yerevan	Oct. 17	19	10	9
11	Training on Interviewer Skills	TSG VGM Partners	Yerevan	Oct. 18	21	6	15
12	English Club- Level of Economy Social Change	TSG	Yerevan	Oct. 19	10	3	7
13	Presentation of Job Fair Results	TSG	Yerevan	Oct. 26	12	5	7
14	English Club- Networking while Travelling	TSG MLSI	Yerevan	Oct. 26	10	3	7
15	Presentation of USAID standard regulations	TSG	Yerevan	Oct. 26	4	2	2
16	Training on Performance Indicators	TSG	Yerevan	Oct. 30-Nov 1	30	17	13
Subtotal for October -November					397	197	200
17	Presentation of Job Fair Results to Employers	TSG	Yerevan	Nov. 1	56	22	34
18	English Club- Performance Indicators	TSG MLSI	Yerevan	Nov. 2	10	3	7
19	Training for Media & PR Spokespersons	TSG MLSI	Yerevan	Nov. 3- 4	18	7	11

#	Name	Organized by	Place	Date FY 2008	Total Number of Participants	Male	Female
20	Training for Social Workers	TSG World Vision	Yerevan	Nov. 5-9	8	0	8
21	Training for Art Therapists	TSG World Vision	Yerevan	Nov. 5-9	7	0	7
22	Labor Code for Civil Servants	TSG	Yerevan	Nov. 5	25	15	10
23	English Club- Women Employment	TSG MLSI	Yerevan	Nov. 9	10	4	6
24	Study tour on Pension Reform	TSG AED	Estonia, Sweden	Nov. 21-26	21	15	6
25	English Club-Social Assistance	TSG	Yerevan	Nov. 30	10	4	6
26	Pilot Job Club	TSG	Yerevan	Nov. 29-30	12	4	8
27	Presentation of MLSI Paper	TSG	Yerevan	Dec. 5	25	10	15
28	English Club	TSG	Yerevan	Dec. 7	10	4	6
29	Roundtable-European Revised Social Charter	TSG MLSI	Yerevan	Dec. 12	28	10	18
30	English Club	TSG	Yerevan	Dec. 13	10	4	6
31	Roundtable- Legal framework for Local Government	TSG MLSI	Yerevan	Dec. 14	33	19	14
32	Conference on IT Strategy	TSG	Tsaghkadzor	Dec.14-15	32	21	11
33	Conference on Labor Market Trends and Challenges	TSG CRRC SESA	Yerevan	Dec. 18	129	65	64
34	Training on Data Methods in Ontario and Risk-Based Analysis	TSG	Yerevan	Dec. 19	13	9	4
35	Signing of Agreement of cooperation between RA State Fund of Social Insurance and USIAD SPSS Project	TSG RA SIF	Yerevan	Dec. 20	56	36	20
36	Social Snapshot and Poverty Report	TSG WB NSS	Yerevan	Dec. 21	18	6	12
Subtotal for November-December					531	258	273
TOTAL					928	455	473

Chart 1: SPSS Project Table of Organization



APPENDIX 1: FINANCIAL DATA

Financial Data as of December 31, 2007

Base Period	Contract Amount	Invoiced Amount	Percentage Invoiced	Remaining Amount
CLIN 1 Total Direct Costs	\$7,819,561	\$1,699,234	22%	\$6,120,327
CLIN 2 Total Indirect Costs	\$2,544,814	\$611,645	24%	\$1,933,169
CLIN 3 Fixed Fee	\$570,040	\$130,655	23%	\$439,385
TOTAL	\$10,934,415	\$2,441,534	22%	\$8,492,881
Obligated Amount	\$6,980,000	\$2,441,534	35%	\$4,538,466