

Quarterly Report: January 1, 2009 – March 31, 2009
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USAID Armenia Social Protection Systems Strengthening Project
ԱՄՆ ՄԶԳ Հայաստանի Սոցիալական պաշտպանության
համակարգերի հզորացման ծրագիր

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January 1, 2009 - March 31, 2009

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ABBREVIATIONS

AAET	Anushavan Abrahamyan Education Fund
AED	Academy for Educational Development
ALMM	Active Labor Market Measures
ARS	Armenian Relief Society
AUA	American University of Armenia
CBA	Central Bank of Armenia
CoE	Council of Europe
FB	Family Benefit
FSDP	USAID/Financial Sector Deepening Project
GOAM	Government of Armenia
IALI	International Association of Labor Inspectorates
IBP	International Best Practice
ICHD	International Center for Human Development
IEC	Information, Education, Communication and Public Relations
IFES	International Foundation for Election Systems
ILCS	Integrated Living Conditions Survey
ILO	International Labor Organization
IMF	International Monetary Fund
IT	IT and Administrative System Design
ISSC	Integrated Social Services Centers
IZZ-DVV	German Adult Education International Project
LEC	Local Employment Center
LED	Labor and Employment Department, MLSI
LGP	Local Government Program
LI	Labor Inspectorate
ME	Ministry of Economy
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
OMX	Central Depository
OSH	Occupational Safety and Health
PARNAS	Personal Account Registration, Numbering and Analysis System
PAYG	Pay-As-You-Go
PRWIG	Pension Reform Implementation Inter-Agency Working Group
PWG	Pension Working Group
REC	Regional Employment Center
RFP	Request for Proposal
RSSA	Regional Social Service Agency
RUEA	Republican Union of Employers in Armenia
SESA	State Employment Services Agency
SSIF	State Social Insurance Fund
SLI	State Labor Inspectorate
SMEC	State Medical Examination Commission
SSSS	State Social Security Service
SRC	State Revenue Committee
STTA	Short-Term Technical Assistance
TBD	To Be Determined
UNDP	United Nations Development Program
UNFPA	United Nations Fund for Population Armenia
UNICEF	The United Nations Children's Fund
VET	Vocational Education Training



INTRODUCTION

The Social Protection Systems Strengthening (SPSS) Project was organized by USAID Armenia to give technical assistance to government units and the NGO sector in Armenia to improve public and private social protection systems in a way that will increase Armenians' opportunities for self-reliance that reduce dependence on public support to meet citizens' basic needs. To achieve this, SPSS provides support for capacity building, training, limited 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 Protection
- Social Assistance

These components are supported by a set of crosscutting activities focused on:

- 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 balance
- Monitoring and evaluation
- Sustainability strategies
- Grants management

This report covers the second FY09 quarter of the project's activities from 1 January 2009 through 31 March 2009.

Counterparts: The Ministry of Labor and Social Issues (MLSI) is the primary counterpart for the four SPSS project components. The project has established a close working relationship with relevant implementing MLSI departments: Labor and Employment, Social Assistance, Elderly and Disabled, Women and Children, Monitoring, Legal, and its Secretariat since activities began in early 2007. 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. A revised agreement was formulated to coincide with the MLSI fiscal year that is the calendar year. A next revision is under discussion in the context of the proposed workplan SPSS has submitted to USAID. The initially weekly working group, chaired by First Deputy Minister Araik Petrosyan, is now convened on an *ad hoc* basis at MLSI to provide review of progress by component, as needed.

The project has simultaneously established working relationships with a number of other relevant agencies and working groups, including the Government of Armenia (GOAM, its Pension Reforms Working Group (PWG), its Pension Reform Implementation Inter-Agency Working Group (PRIWG) Central Bank of Armenia (CBA), the State Revenue Committee (SRC) the National Institute for Labor and Social Research (NILSR) of MLSI, the NORK Information-Analytical Center of MLSI, the State Employment Services Administration (SESA) of MLSI, the State Labor Inspectorate (SLI) of MLSI, the National Statistics Service (NSS), the Ministry of Finance (MOF), the Ministry of Economy (ME), the Ministry of Territorial Administration (MTA) and a large number of NGO partners.

Financial Update: 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 and key crosscutting elements in detail with reference to deliverables associated with the particular task. Each section follows the SPSS Year 3 Proposed Work Plan, submitted 1 September 2008, providing the status of activity and sub-activity. A proposed work plan was finalized through prolonged negotiations with the primary counterpart MLSI and accepted by USAID on 20 March 2009. The activities reported in this document reflect pursuit of the slightly different proposed plan. The reporting framework will shift to that of the approved plan with Quarter 3. Sub-activities not mentioned are scheduled to be undertaken during a different quarter. The section immediately following presents highlights from the quarter in each component area.

QUARTERLY HIGHLIGHTS

General

FY09 Quarter two progress in achieving component and crosscutting objectives was as follows:

In the second quarter of FY2009, the pension reformers worked with intensity to assist counterparts to meet an aggressive schedule for implementation of the Pension Reform White Paper adopted by GOAM on 13 November 2008. Serious and concentrated assistance with legislative drafting, implementation project management, business process mapping, and IT system specification efforts were conducted throughout the quarter.

SESA decision-makers attended trainings, reviewed the process map and new job descriptions and agreed to reorganized staff within the model offices. Staff within the 8 newly renovated offices will become specialists in active measures which will result in greater efficiency and stronger job seeker and employer programs. SESA implemented the second Employer Survey and developed a report analyzing employer trends in supply and demand. With SPSS assistance, SESA began to outsource to NGOs who created new jobs for people with disabilities.

During Quarter two, SPSS built upon the technical contributions initiated in the first quarter of FY09 to deepen adoption of the practices by SLI. With strong support from SPSS legal and technical experts, MLSI's Employment and Labor Department drafted a comprehensive OSH law, to pull together sets of fragmented rules and standards applicable to all worksites into a coherent framework. SLI continued to strengthen its data management to allow for risk-based inspection and enforcement models, and the SLI leadership continued to support the risk-based approach, including work on a second-generation data management design.

In the fourth Quarter of 2008, SPSS entered into a contract with NILSR to provide for MLSI an analysis of existing data and the testing of means proxies for an anticipated revision of the social assistance Family Benefit distribution formula, and the research is being completed at the end of the first quarter of FY09. MLSI is contemplating both refinement of the indicators and separation of active and passive assistance measures. The social safety net emphasis is being shifted from passive to active approaches. SPSS is mapping social worker skill development resources along with NILSR, which holds responsibility for defining the profession. Key in the support of policy change is improvement of program budgeting skills in all MLSI departments, and SPSS is engaged in hands-on training to that effect. SPSS is supporting development of outsourcing mechanisms for state and local social service provision, as a cost-effective alternative to state-run programming. Outsourcing capacity building is being done with MLSI and with four pilot local government units. Capacity building at NILSR focuses on establishing internal resources to succeed SPSS policy research inputs, especially in service to component four needs.

Component One: Social Insurance Highlights

- The four draft pension reform laws were submitted to GOAM on January 20th and discussed by the Prime Minister at a GOAM meeting on January 23rd.
- Review of and comments on drafts of solidarity pension law, funded pension law, Unified Income Tax Law and Law on Personified Recordkeeping of Unified Income Tax and Funded contribution collection and for PRWIG.
- Discussions on the Draft Law on Funded Pensions and Personified Recordkeeping were held at the suggestion of SPSS. The discussions resulted in some significant changes in the laws.
- Project management assistance to MLSI in managing the entire reform process through the use of a detailed Gantt chart and assessment of overall reform progress.

- Assistance to the PRIWG and the SRC in mapping the business processes for the new pension system (including both the existing PAYG pension component and the new funded component).
- Additional modeling and training on the SPSS pension model.
- Clarification of Unified Income Tax and funded pension contribution calculations, declarations, payment and reconciliation issues.
- Decisions on IT issues related to tax return submissions, data exchange and verification.
- Development of IT specifications for the personified recordkeeping system.
- Development of Unified Income Tax Collection and Personified recordkeeping Model and Tax Return form.
- Assistance in developing a public information program.
- Several updates for the US Embassy, USAID and IMF.¹

Component Two: Employment Services Highlights

- Component Two and SESA agreed to amendments FY09 activity plan.
- Provided assistance to SESA in analyzing and publishing December 2008 Employer survey results.
- Discussions on-going with SESA on possible mitigations to the rising unemployment as a result of world financial crisis.
- Prepared documents and presented Armenia's Labor Market Challenges to the Ambassador and USAID mission Staff and presented the World's Economic Crisis Impact on Labor Markets, and Migrants at IREX/CRRC training for journalists.
- Implemented Model Office Design training targeting new staffing functions, communication and program processes.
- Held a meeting with VET system representatives and USAID to discuss methods for future coordination.
- Drafted the SESA Outsourcing Manual sent to SESA for review.
- Performance Monitoring Guidelines Manual designed for model office reporting and monitoring.
- Two grants were approved and the first payment issued to Astghatsholk NGO for outsourced employment services for people with disabilities.
- SPSS and the Vanadzor REC Director are exploring potential Job Clubs for graduating Orphans.

Component Three: Occupational Safety and Labor Code Highlights

- The team continued working with MLSI on drafting a Comprehensive OSH Act, based on the regulations proposed by SPSS.
- The Ministry of Labor and Social Issues ascertained the implementation of the Risk Based Enforcement Action Plan at SLI as the main area of actions for the remainder of 2009.
- SPSS supported SLI membership status at the IALI that will also extend the SLI's opportunities for meeting with other inspectorates, networking and sharing experiences, and learning from where other, similarly-situated countries have gone already.
- The Head of SLI appeared on the Social Hour Program jointly financed by SPSS and MLSI on H2 TV channel, where he presented SLI's 2008 activities and results, a major improvement in public communication and transparency.

¹ SPSS_FY09Q2_Feb4_EmbBriefUpdatePensRefAttachA_eng; SPSS_FY09Q2_Feb4_UpdatePensRefModelChartAttachC_eng; SPSS_FY09Q2_Feb9_EmbBriefTypesPensSystAttachB_eng; SPSS_FY09Q2_Feb11_EmbBriefPensRefUpdtPPT_eng; SPSS_FY09Q2_Feb11_UpdatePensionRef_eng

Component Four: Social Assistance Highlights

- SPSS worked with the newly created Demographic issues division to help with the execution of the first analytical task.
- The research team prepared the observations on the foundation of the survey of SPSS supported “Sustainable social assistance development strategy” which proved the low level of effectiveness of the current Family Benefit system.
- SPSS finalized the referral guide on “Children’s Protection in Armenia”, which ARS (SPSS subcontractor) prepared in collaboration with MLSI and NILSR as an essential reference for social workers throughout Armenia. Major stakeholders, social workers in GOAM, NGOs and Local Government received 1000 copies of the guide.
- A round table with participation of the Deputy Prime Minister Armen Gevorkyan, and MLSI Minister Arsen Hambartzumyan, as well as representatives of the NGO community, civil society, Government and media, was organized by SPSS at MLSI. During the round table, both the Minister and the Deputy Prime Minister committed and recognized that the best solution to filling the existing gaps on social assistance provision is promoting government - civil society collaboration.

1. COMPONENT ONE: SOCIAL INSURANCE

This quarter Component One continued to support the counterparts in developing a detailed pension reform program. The support focused on pension reform implementation, and consists of organizational project management support, business process development, information management assistance, legislative drafting and comments on draft laws, and continuation of economic and demographic modeling. The principal activities addressed the needs of the Ministry of Labor and Social Issues (MLSI), the State Social Security Service (SSSS), the State Revenue Committee (SRC), the Ministry of Finance (MoF), and the Pension Reform Implementation Inter-Agency Working Group (PRIWG) convened by the Government of Armenia (GOAM). The legislative drafting and IT development are proceeding reasonably well. There is progress in administrative restructuring and project management. However, the schedule proposed by the GOAM for implementation still seems unrealistic.

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

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

- SPSS experts continued to advise the PRIWG on drafting a complete set of pension laws, following the GOAM program, including the following four laws: Unified Income Tax (MoF responsible for draft); law on the solidarity pension system (MLSI responsible for draft); law on the funded pension system (MoF responsible for draft); and law on personified recordkeeping (MLSI responsible for draft). In addition SPSS translated and updated the draft laws.²
- SPSS experts attended the PRIWG meetings on December 29, January 10, January 14, January 30 and March 16 and provided advice, had a presentation on Unified Income Tax Collection and Personified Recordkeeping Model and immediate feedback, as well as drafted minutes for use by the PRIWG.³
- As requested by PRIWG members, SPSS experts provided information on international practices in addressing:

² LawStatePensMLSI_Jan8_arm; SPSS_FY09Q2_Jan7_TransLawStatePensMLSI_eng; SPSS_FY09Q2_Jan20_TransJustLawFundPens_eng;

³ SPSS_FY09Q2_Jan5_MinutesPRIWGMeetingDec15_eng; SPSS_FY09Q2_Jan7_MinutesPRIWGMeetingDec29_arm; SPSS_FY09Q2_Jan7_MinutesPRIWGMeetingDec29_eng; SPSS_FY09Q2_Feb2_MinutesPRIWGMeetingJan30_arm

- a) Citizenship and residency issues in pension systems, the effects of the financial crisis on the Swedish and Polish second pillar systems, and US Social Security;
- b) Requirements on archiving and recordkeeping in Personified Recordkeeping systems;
- c) The applicability of the Macedonian model to the Armenian system⁴

1.A.2 Final draft of report with solid quantitative analysis of reform scenarios.

- The GOAM adopted an abbreviated version of the White Paper setting forth the reform proposal; SPSS translated the document.⁵

1.A.3 Provide ongoing policy advice on reform scenarios.

- SPSS experts are working on a paper updating the document presented to MLSI last year with a proposed scenario of the reform. The revised document will cover the recent developments in the system and pension administration and will also introduce several scenarios for pension reform impact in the view of different economic developments.

1.A.4 Present pension reform to the public.

- SPSS experts are working with the PRIWG to design a public information campaign, see 1.D.1 and 1.D.2 below.

1.A.5 More actively involve civil society in general and NGOs in particular in the reform discussion.

- The public information campaign plans include a component designed to involve civil society.

1.A.6 Develop proposal for disability insurance in reformed system.

- No activities during the reporting period.

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

1.B.1 Refine previously developed statistical model and produce preliminary fiscal and actuarial calculations.

- No additional activities during the reporting period.

1.B.2 Provide training to local staff and counterparts on model use.

- As requested by MLSI, three trainees from the MLSI system (MLSI, SSSS and NILSR) were nominated for advanced training on the SPSS statistical model. The first training was held on January 20 at SPSS office. The general structure and the main indicators used in the model were reviewed, and the trainees were given a task to develop a new scenario using the final GOAM decision on the pensions indexing rule: link both basic pension and accrual factor to CPI. It was agreed to meet in February to review and discuss the results, as well as to continue with new exercises. However, only one of the trainees presented the results of the task in time. The other two trainees (from MLSI and NILSR) were able to perform and present the results of the tasks only in March. The trainees will be invited for the second training in the beginning of April to analyze the results of the first task and get a new one.⁶

1.B.3 Revise model as necessary to support discussions of law with international donors.

⁴ SPSS_FY09Q2_Feb2_PRIWGMemo6Resid&Citizen_arm;
 SPSS_FY09Q2_Feb2_PRIWGMemo6Resid&Citizen_eng; SPSS_FY09Q2_Mar16_ISOStandRecordKeepngIntro_arm;
 SPSS_FY09Q2_Mar16_ISOStandRecordKeepngIntro_eng; SPSS_FY09Q2_Mar16_RequrmsRecordKeepngSystem_arm;
 SPSS_FY09Q2_Mar16_RequrmsRecordKeepngSystem_eng;

⁵ SPSS_FY09Q1_Feb2_Trans_ProgrWPPenRef_eng

⁶ SPSS_FY09Q2_Mar24_SPSSModelTrangResltsComparsnCharts

- At a meeting with IMF experts on February 10th, the SPSS team agreed to run the SPSS statistical model with slower GDP growth as projected by IMF experts. IMF currently estimates that the real GDP growth will be 3% for 2010, 6% for 2011-2013, and 5% per year thereafter. The current GOAM plan is 8.5% for 2008, then 8.0% to 6.9% for 2011-2013 and 6.6% to 5% thereafter up to 2021. With slower GDP growth, the deficit will be 0.5% instead of 0.2% for payment of insurance pensions only, and 0.77% instead of 0.45% for all programs in 2010.⁷

1.B.4 Explore introducing behavioral relationships to pension model.

- No additional activities during the reporting period.

1.C Draft and facilitate discussion on new pension law, regulations, and other legal documents.

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

- In the previous quarter, SPSS experts provided assistance with drafting all four laws.
- In this quarter, SPSS experts prepared written comments on the draft laws and also provided comments during PRIWG meetings. In addition SPSS is translating the laws as they are drafted and revised.⁸
- The PRIWG submitted four draft laws to the GOAM on January 20th.
- The draft laws were discussed in a meeting with the Prime Minister on January 23rd. Only the Unified Income Tax, solidarity pensions and personified recordkeeping laws were discussed. The discussion was continued at another meeting in the first decade of March and the parties were given an instruction to finalize the full package of pension reform implementation laws by the end of March. It is assumed that the package will be presented to the National Assembly of RA in April 2009
- SSSS started internal discussion of the four laws. SPSS provided explanation on the draft laws, especially on Funded Pension Law. SSSS has presented its comments on 4 laws to the PRIWG.
- The PRIWG meeting on January 30th discussed necessary changes to the draft law on the Unified Income Tax (to be made by MoF). On February 11 SPSS team prepared a memo on Article 26 of the Draft law “On Unified Income Tax” for the PRIWG⁹.
- At the request of the MoF, SPSS experts worked on 8 laws to amend and make them consistent with the draft Funded Pension Law. The necessary articles were edited or written accordingly.¹⁰
- SPSS experts also prepared a comprehensive memorandum commenting on the most recent versions of all the four laws.¹¹

⁷ SPSS_FY09Q2_Mar3_PensnBalnceSlowerGDPgrowth_eng.; SPSS_FY09Q2_Mar3_PensnBalnceSlowerGDPGrowth_arm

⁸ SPSS_FY09Q2_Jan9_CommntsPersonRecordLaw_arm; SPSS_FY09Q2_Jan9_CommntsPersonRecordLaw_eng;
 SPSS_FY09Q2_Jan9_CommntsStatePensLaw_arm; SPSS_FY09Q2_Jan9_CommntsStatePensLaw_eng;
 SPSS_FY09Q2_Jan9_TransLawStatePensMLSIUpdated_eng; SPSS_FY09Q2_Jan13_TransCommntsMoEUnifdTaxLaw_eng;
 SPSS_FY09Q2_Jan13_TransLawStatePensMLSIUpdated_eng; SPSS_FY09Q2_Jan14_TransStmntFundPensLaw_eng;
 SPSS_FY09Q2_Jan14_TransStmntPersonRecordLaw_eng;
 SPSS_FY09Q2_Jan14_TransStmntStatePensLaw_eng; SPSS_FY09Q2_Jan15_TransLawPersonRecordMLSIDec29_eng;
 SPSS_FY09Q2_Jan16_LawUnifiedTaxComprd_arm; SPSS_FY09Q2_Jan16_TransLawPersonRecordUpdt_eng;
 SPSS_FY09Q2_Jan16_TransLawUnifiedTaxComprd_eng; SPSS_FY09Q2_Jan19_TransMinJustOpn3Laws_eng;
 SPSS_FY09Q2_Feb2_TransMatrixUnfdLawJan19_eng; SPSS_FY09Q2_Feb6_TransLawFundPensJan19_eng;
 SPSS_FY09Q2_Feb6_TransLawUnifiedTaxComprd_eng; SPSS_FY09Q2_Feb12_TransLawFundPensJan29_eng;
 SPSS_FY09Q2_Mar16_TransLawFundPensMar02_eng; SPSS_FY09Q2_Mar16_LawFundPensMar02_arm ;

⁹ SPSS_FY09Q2_Feb9_PRIWGMemo7UnifTaxArt26_arm; SPSS_FY09Q2_Feb9_PRIWGMemo7UnifTaxArt26_eng

¹⁰ SPSS_FY09Q2_Jan30_Amendm8LawsResultFundPnsn_arm

¹¹ SPSS_FY09Q2_Mar3_PRIWGMemo11Commnt4Laws_arm; SPSS_FY09Q2_Mar3_PRIWGMemo11Commnt4Laws_eng;
 SPSS_FY09Q2_Mar23_PRIWGMemo13LawsPersonRecord_arm;
 SPSS_FY09Q2_Mar23_PRIWGMemo13LawsPersonRecord_eng;
 SPSS_FY09Q2_Mar24_CommsPersRecrdModelPerspectv_arm;
 SPSS_FY09Q2_Mar24_CommsPersRecrdModelPerspectv_eng; SPSS_FY09Q2_Mar10_PRIWGMemo12Prepayment_arm;
 SPSS_FY09Q2_Mar10_PRIWGMemo12Prepayment_eng

1.C.2 Produce first draft of law on pensions.

- As noted above, SPSS experts prepared draft laws and comments on the four draft laws.
- The PRIWG submitted the four draft laws to the GOAM on January 20.

1.C.3 Final draft law submitted to Parliament.

- This was scheduled to take place in February or March, 2009, but did not take place. This should take place in April.

1.C.4 Advise Parliament and Government on refining draft law.

- Not yet applicable to Parliament. Advising GOAM as noted above.

1.C.5 Draft other legislation including regulations, bylaws, beneficiary designation, and other forms and legal documents as needed.

- Not yet applicable.

1.C.6 Advise on mechanism and governance of asset management for second pillar.

- This issue is being addressed as part of the legislative drafting, as described above.

1.C.7 Advise on legal responsibilities of custodian.

- This issue is being addressed as part of legislative drafting, described above.

1.C.8 Advise on legal requirements and administrative process of reporting to individuals.

- This issue is being addressed as part of the legislative drafting and business process mapping.

1.D Implement ongoing stakeholder involvement and public outreach activities to promote ownership and awareness of pension reforms.

1.D.1 Arrange information, education, and communication events to improve familiarity with pension issues.

- The Public Outreach team had a series of meetings with MLSI, including Hasmik Khachatryan, head of the PR division, and Astkhik Mirzakhanyan, who together with her team was transferred from CBA to MLSI as an advisor to the Minister of MLSI on pension reform within the Pension Implementation Unit at MLSI.
- MLSI Minister asked for SPSS assistance for upgrading the MLSI website, as the Implementation Unit staff and MLSI PR Department have no website experience. SPSS is doing an inventory of existing materials (draft legislation, Government decisions, international experience, analytical materials etc.), as well as working on the layout of www.mss.am.
- Media monitoring is being done by a PR department employee, with regular analyses and revisions based on lessons learned. There were some unfavorable press notices, such as Dashnak political party member Ara Nranyan's interview.
- The PR department expressed readiness to devote at least 3 out of 22 MLSI "Social Hour" TV programs (they are budgeted for 2009) to pension issues, plus air PSAs as needed.
- It is planned to reserve time (at least two hours) on the Government Hour TV program for pensions, plus reserve time for PSAs.
- The Yerevan Mayor's office has its own TV program, and MLSI will work with them as well to try to reserve some TV time.
- In November 2008, a group of NA Deputies initiated amendments to the Law on Advertisement, and there is some provision on Social Advertisement, which states that 7% of all advertisement time should have social value. If adopted, this will give MLSI strong support to keep the society informed and educated.

- The MLSI Minister also suggested developing a roster of possible advocates for the reform, and to prepare a briefing for MLSI middle-level managers. SPSS suggested preparing basic materials and testing them, noting the frequently asked questions and starting to work on them.

1.D.2 Develop public education plan in accordance with the base period 3 year action plan.

- SPSS staff advised MLSI on a public education plan which is being prepared for consideration by GOAM.¹² With this purpose, a number of discussions were initiated by Deputy Minister of MLSI Artem Asatryan, Smbat Saiyan and Hasmik Khachatryan based on which appropriate updates and changes were made.¹³

1.D.3 Conduct surveys, focus groups, and other information collection activities.

- Reviewed and revised the template report on “Living Conditions of Pensioners in Armenia” contracted to AUA. It was translated and delivered to the NILSR.¹⁴
- AUA conducted the first round of a nationwide baseline surveys of the Armenian general population to measure knowledge about the current pension system and the upcoming pension reforms in Armenia.¹⁵ The survey results stress the need for a public awareness campaign not only for pension reform but also for current pension assignment and eligibility issues.

1.D.4 Design and implement information, education and communication materials and events to facilitate discussion on pension law.

- The materials were preliminarily discussed with MLSI as part of the process described in 1.D.2.

1.D.5 Design and implement information, education and communication materials and events on improvements in household survey.

- A template for better use of existing household survey information to report on the status of pensioners on an annual basis was developed, which is required by law the law of the MLSI (see 1.D.3). A request on questions will flow from this and are to be added to the NSS survey to improve pensioner status information.

1.E Advise on incremental improvements in administration procedures and IT upgrades in the current pension system.

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

- Report on SSSS current procedures was prepared and delivered in FY 08. SSSS undertook to appoint a working group in September, 2008 to work in two directions: 1) development of informational materials for SSSS offices to use in communicating with the public, and 2) development of a model office. The Head of SSSS committed in September, 2008 to appointing a working group to work with the SPSS project on these issues. However, no working group has been appointed to date, and we have received no response from SSSS in spite of multiple e-mails, telephone calls and conversations with the International Department.
- The issue was raised with MLSI Deputy Minister Artem Asatryan in December 2008 who indicated that he had read the SPSS project’s ten office survey and was interested in many of the observations and recommendations it contains. These issues are well known to MLSI and they expect they would be addressed as part of overall pension reform.
- SPSS expects to address these issues further in the subsequent quarter.

¹² SPSS_FY09Q2_Jan29_PensionReformPublicOutr_eng

¹³ SPSS_FY09Q2_March4_PensionReformPublicOutr_eng

¹⁴ SPSS_FY09Q2_Feb16_PensLivingStandardsRptTempl.doc_eng ;

SPSS_FY09Q02_Mar30_PensnrsLivngStandrdTmplRprt_arm

¹⁵ SPSS_FY09Q2_Mar1_AUAPensRefBaselineSurv_arm; SPSS_FY09Q2_Mar1_AUAPensRefBaselineSurv_eng

- 1.E.2 Propose new organizational design covering departments, staffing levels, position descriptions.
- No activities during this reporting period due to lack of interest on the part of SSSS and MLSI. However, this area requires attention in light of the reform program. There are 117 people in SSSS who work on the current PARNAS system. Of these, 105 work in SSSS regional offices collecting personified data from employers and doing data entry. This function has been moved to SRC, which is reflected in the draft laws. There should be a decision about what will happen to these people. They should no longer be in the SSSS regional offices. More than half of the offices currently have 7 or less staff. If two people are removed from each office, more than half of the offices will have 5 or less staff. This raises the question of whether or not some of the offices have become so small as to be uneconomical.¹⁶
- 1.E.3 Improve use of automated processes in customer service.
- No activities during this reporting period due to lack of interest by MLSI and SSSS.

1.F Assist in design and implementation of business process and IT specification of new pension system.

- 1.F.1 Assist in initiating project to design business process and IT specifications including collection of funds and data reconciliation.
- SPSS experts analyzed draft laws and developed primary requirements for data collection, data processing and data exchange for the new information system. Documents on data requirements were prepared, discussed and agreed with SRC, Treasury and CDA.¹⁷
 - On January 21, SPSS experts attended a meeting with SRC to discuss data processing and data exchange requirements for new information system. These are the main points covered:
 - Structure of documents to be processed by new information system,
 - Possibilities and scenarios of e-reporting,
 - Requirements of SRC data exchange with Treasury and CDA.
 - In February and March SPSS experts had meetings with SRC several times a week in order to make final agreements on the issues above.
 - All business processes are mapped in English and Armenian. At MLSI's request the processes were also described in memoranda. Business process maps on tax calculation and tax return submission, Money flow and Information flow were sent to SPSS IT specialist on funded pensions and the comments were received, while another set of maps including Asset manager choice and licensing maps were submitted to CDA experts upon their request. The latest versions of all maps were delivered to the entire PRIWG for its January 30 meeting.¹⁸ MLSI Deputy

¹⁶ See SPSS_FY09Q2_Feb21_LCusickExitReport.doc

¹⁷ SPSS_FY09Q2_Feb9_ITSystemInformFlowChart_arm;
 SPSS_FY09Q2_Feb9_ITSystemProcFlow_arm; SPSS_FY09Q2_Feb9_ITSystemProcFlow_eng;
 SPSS_FY09Q2_Feb9_Pillr2ISExtInterfacesDiagr_eng; SPSS_FY09Q2_Mar19_DataExchgCDA-
 SRC_arm;SPSS_FY09Q2_Mar19_DataExchgCDA-SRC_eng; SPSS_FY09Q2_Mar11_RespnsCDADDataExchng_eng

¹⁸ SPSS_FY09Q2_Jan7_MapInformnFlow_eng; SPSS_FY09Q2_Jan9_DescrpnMoneyFlow_arm;
 SPSS_FY09Q2_Jan9_DescrpnMoneyFlow_eng; SPSS_FY09Q2_Jan13_Descrpn_AssetManChoice_arm;
 SPSS_FY09Q2_Jan13_Descrpn_AssetManChoice_eng; SPSS_FY09Q2_Jan15_MapFulFundPnsnCalculnPmnt_arm;
 SPSS_FY09Q2_Jan15_MapFulFundPnsnCalculnPmnt_eng; SPSS_FY09Q2_Jan21_MapOldagePnsnCalculnPaymnt_arm;
 SPSS_FY09Q2_Jan21_MapOldagePnsnCalculnPaymnt_eng; SPSS_FT09Q2_Jan23_MapInheritanceRights_arm;
 SPSS_FT09Q2_Jan23_MapInheritanceRights_eng; SPSS_FY09Q2_Jan23_MapAsstMngrLicens_arm;
 SPSS_FY09Q2_Jan23_MapAsstMngrLicens_eng; SPSS_FY09Q2_Jan23_MapDisabPnsn_arm;
 SPSS_FY09Q2_Jan23_MapDisabPnsn_eng; SPSS_FY09Q2_Jan23_MapSurvPnsn_arm;
 SPSS_FY09Q2_Jan23_MapSurvPnsn_eng; SPSS_FY09Q2_Jan29_MapAsstMngrChoice2_arm;
 SPSS_FY09Q2_Jan29_MapAsstMngrChoice2_eng; SPSS_FY09Q2_Jan29_MapInformnFlow_arm;
 SPSS_FY09Q2_Jan29_MapInformnFlow_eng; SPSS_FY09Q2_Jan29_MapMoneyFlow_arm;
 SPSS_FY09Q2_Jan29_MapMoneyFlow_eng; SPSS_FY09Q2_Jan29_MapTaxCalculnNonWageEarnrs2_arm;
 SPSS_FY09Q2_Jan29_MapTaxCalculnNonWageEarnrs2_eng; SPSS_FY09Q2_Jan29_MapTaxCalculnWageEarnrs_arm;

Minister and the chairman of the PRIWG Artem Asatryan expressed appreciation of the detailed analysis and work involved;

- At its January 30th meeting the PRIWG resolved to provide comments and suggestions on the business process maps in 10 days to the SPSS team. SPSS subsequently had many meetings on this topic with MOF and SRC. The SPSS team clarified the business processes and the range of data that MOF will request from the new system.
- The second stream of the business process maps will be developed by different agencies, i.e. what is the business process for each key player in the pension reform implementation. The first key player is SRC, and the SPSS team has mapped the process of SSC and PARNAS data transfer to SRC and usage of these data by SRC. The coming maps will be: Unified income tax collection and personified record keeping database development and testing; E-signature issuing and tax returns submission; Unified income tax and FF contributions collection and reconciliation process and data transfer and reporting to different agencies. The team will develop maps for MLSI, Ministry of Finance, Central Bank, and different types of tax payers.¹⁹
- On February 9, the PRIWG arranged a discussion on the issue of personal identification as the social security cards will be soon replaced by new ID cards issued by the Ministry of Internal Affairs (Police). The ID cards will be based on the existing social card (SSC) numbers. SRC was interested in using the taxpayer identification (TIN) numbers for identifying the self-employed or individuals who will be Unified Income Tax and FF contributions payers without a tax agent. The meeting also discussed whether an application must be made to the centralized depository to open an account. Both issues were to be addressed during a meeting with the Prime Minister. On February 10, SRC Deputy Director Aharon Chilingaryan informed the team that it was decided at a meeting with the Prime Minister to use SSC as the only identification number for individuals and that the applications to CDA should be only in electronic form for mandatory participants after accounts are opened (for asset manager and portfolio selection) and for voluntary participants before accounts are opened (with account request and selection). However, SRC experts decided to prepare a note supporting the use of TIN numbers. Finally SRC decided to use both SSC and TIN numbers for identifying the self-employed or individuals who will be Unified Income Tax and FF contributions payers without a tax agent in the frame of internal SRC system.
- Based on the business process maps, SPSS experts developed a list of questions requiring decisions by technical experts,²⁰ which were presented to the working group on February 12th. Most of the questions were addressed, but those that required more comprehensive discussions were to be discussed by separate working groups. The SPSS team prepared a detailed memo with minutes of the meeting, which was further discussed in a meeting with Mr. Asatryan on February 18th.²¹ Six working groups were conducted to get a joint agreement on the following issues:
 - Tax filing forms, using existing SRC and SSSS forms as a start;
 - Information exchange between SRC and NORK concerning social card numbers;
 - SSSS needs data after 2010 and PARNAS data transfer to SRC prior to 2010;
 - Information exchange between SRC and the Treasury, new software needs and transfer order content;
 - SRC dispute resolution procedures for keeping track of penalties, partial payments, errors and other similar technical issues; and
 - The need for access points by the public²².

SPSS_FY09Q2_Jan29_MapTaxCalculnWageEarnrs_eng; SPSS_FY09Q2_Jan29_MapTaxRetrnSubmssn&Prcesng_arm;

SPSS_FY09Q2_Jan29_MapTaxRetrnSubmssn&Prcesng_eng

¹⁹ SPSS_FY09Q2_Mar23_1.1MapSRCPARNASDatause_arm; SPSS_FY09Q2_Mar23_1.1MapSRCPARNASDatause_eng

²⁰ SPSS_FY09Q2_Feb11_QuestnsFeb12DiscnBusinProcPRIWG_arm

SPSS_FY09Q2_Feb11_QuestnsFeb12DiscnBusinProcPRIWG_eng

²¹ SPSS_FY09Q2_Feb16_PRIWGMemo8DiscnQnsBusinProcFeb12_arm

SPSS_FY09Q2_Feb16_PRIWGMemo8DiscnQnsBusinProcFeb12_eng

²² SPSS_FY09Q2_Feb23_Reconciln_arm; SPSS_FY09Q2_Feb23_Reconciln_eng

- With the arrival of SPSS additional IT expert (Peter Ratcliffe), who had introduced a similar program in Macedonia, further detailed discussions were held. At a meeting with the head of the Operational Division of the State Treasury Mr. Jirayr Titizyan on February 19th, the SPSS team had an opportunity to be introduced the system the Treasury uses to receive and transfer information on taxes paid.
- The following main agreements were achieved during the working groups discussions, based on which the Model on Collection of Unified Income Tax and Personified Recordkeeping was developed by SPSS IT experts:
 - Labor relations between workers and tax agents is the CORE data information for consistency control of the Unified Income Tax form;
 - The Unified Income Tax Form should include calculations and Pension insurance benefit information;
 - The Unified Income Tax Form provided by the source (tax agent – tax payer) must be delivered to the SRC CORE system in 100% electronic format, and the information signed digitally to ensure authenticity of the source that generated the information;
 - Tax agents must have a tool that allows them to generate the tax return in an electronic format;
 - The electronic strategy will be based on the country's IT infrastructure and internet customer understanding;

Both ONLINE and OFFLINE ways (strategies) of submission of e-report will be introduced.²³

- The PRIWG Meeting took place on March 16th at MLSI, during which SPSS had a presentation on a Model on Collection of Unified Income Tax and Personified Recordkeeping.²⁴ The Agenda of the meeting included the following issues:
 - Procedure on development of TOR on Personified Recordkeeping System;
 - Discussion of current issues concerning the TOR on Personified Recordkeeping System, particularly:
 - a) Issue with use of PARNAS data (currently processed by SSSS) taking to consideration the issue on submission of reports for the period of 2009;
 - b) Possibility for small and medium businesses to submit the reports for January 2010 in hard copies;
 - c) Procedures on exchange of information between SRC and MLSI structures;
 - d) Procedures on submission of annual reports.
 - Current issues related to the Draft Legal Acts ensuring implementation of the Pension Reform.
- The SRC team informed the PRIWG and SPSS that SRC will start electronic acceptance of tax declarations on VAT, excise and environmental taxes in July 2009. This will be a serious challenge in light of Armenia's lack of readiness for e-filing as demonstrated by its low international ranking.²⁵ Introduction of e-filing of Unified Income Tax and pension contribution forms must be coordinated so as to be part of the same process, and not a new and separate operation. SRC has two project managers to coordinate these activities with the new pension reform. SPSS experts were informed that SRC will assure 100% e-filing as of January 2010 using

²³ SPSS_FY09Q2_Mar11_TransSRCInternalPensIssues_eng; SPSS_FY09Q2_Mar11_UnifdTaxForm_eng; SPSS_FY09Q2_Mar11_UnifdTaxForm_arm; SPSS_FY09Q2_Mar16_UnifdTaxForm_arm; SPSS_FY09Q2_Mar16_UnifdTaxForm_eng; SPSS_FY09Q2_Mar19_eSignImplmnSRC_arm; SPSS_FY09Q2_Mar19_eSignImplmnSRC_eng

²⁴ SPSS_FY09Q2_Mar16_UnifiedTaxCollectnPresentn_arm; SPSS_FY09Q2_Mar16_UnifiedTaxCollectnPresentn_eng; SPSS_FY09Q2_Mar11_UnifiedTaxCollectnDiagram_arm; SPSS_FY09Q2_Mar11_UnifiedTaxCollectnDiagram_eng

²⁵ SPSS_FY09Q2_Feb17_PRIWGMemo9ICTRank_eng

on-line WEB access and off-line software application. SPSS will develop the IT specifications based on this agreement.²⁶

- A draft vision document prepared by the “NORK” Center was submitted to SRC for comments. At the meeting initiated by Mr. Artem Asatryan on February 3 with SRC, “NORK” Center, SPSS and MLSI representatives, it was agreed that the second draft of this document needs serious revisions.²⁷
- In addition to the list of comments regarding the maps, SRC requested a methodology for the further application of the business process maps to different aspects of project management including needs assessment, PR campaign preparation, job descriptions, etc.²⁸ The SPSS team prepared a checklist on comments received from SRC and agreed to modify the process maps following the recommendations received and according to the final decisions on different unsolved issues within the system design next month²⁹.

1.F.2 Assist in project management.

- Project management assistance provided by SPSS experts includes a detailed Gantt chart of the pension reform implementation process. The Gantt Chart is updated on weekly basis and put on a forum regime to be used by the Deputy Ministers of MLSI, MOF and SRC. Mr. Asatryan, Mr. Aramyan and Mr. Chilingaryan were trained accordingly to work with the Gantt Chart, particularly in forum regime.
- Project management assistance was also provided in preparing needs assessment.³⁰ The first stage, particularly identification of activities and related outstanding issues, is complete.
- SPSS experts developed and maintained a project schedule and made it available first to MLSI and then to other members of the PRIWG. The schedule clarifies the path dependencies of the reform and the need for additional scheduling and management planning.
- The current activities of the PRIWG are focused on immediate issues associated with implementation of the new, fully funded pension pillar and completion of the draft laws and the terms of reference for the SRC software system. While these are important, there are other, non-IT management and administrative issues which are not being fully analyzed and addressed.
- SRC is in the middle of other organizational and cultural change issues associated with the merger of the State Tax Service and the Customs Service. Pension reform is not mentioned in the Tax Administration Strategy for 2008-2011 published last August. Pension reform requires additional staff for SRC. SRC will be responsible for answering questions from individuals about second pillar contributions from the point of collection until they are deposited in individual accounts by CDA. In the early days of the program, this will probably generate a level of public questioning unusual for SRC. In addition, the role of SRC in the pension reform is one of services to the public, not enforcement. This is substantially different and will require culture change on the part of SRC employees. Since SRC is the public face of the pension reform to the Armenian public, a failure to address these issues could result in a failure of the pension reform, even if the IT system works.
- The timetable reflected in the GOAM Decree on pension reform calls for completion of technical specifications by March 31 and completion of the full personified record keeping system by July

²⁶ SPSS_FY09Q2_Feb24_UnfdTaxRprtDataEntry_arm; SPSS_FY09Q2_Feb24_UnfdTaxRprtDataEntry_eng; SPSS_FY09Q2_Feb24_UnfdTaxRprtSubmn_arm; SPSS_FY09Q2_Feb24_UnfdTaxRprtSubmn_eng; SPSS_FY09Q2_Feb24_UnifdTaxForm_arm; SPSS_FY09Q2_Feb24_UnifdTaxForm_eng; SPSS_FY09Q2_Feb27_UnfdLawTaxCalcn_arm; SPSS_FY09Q2_Feb27_UnfdLawTaxCalcn_eng.

²⁷ SPSS_FY09Q2_Feb17_TransNorqITAppndx2_eng

²⁸ SPSS_FY09Q2_Feb11_TransSRCCommntBusinProc_eng

²⁹ SPSS_FY09Q2_Feb11_ChecklistSRCCommnt_arm; SPSS_FY09Q2_Feb11_ChecklistSRCCommnt_eng

³⁰ SPSS_FY09Q2_Jan9_NeedsAsstForm_arm; SPSS_FY09Q2_Jan9_NeedsAsstForm_eng; SPSS_FY09Q2_Jan20_MemoMLSIRole_eng; SPSS_FY09Q2_Feb20_NeedsAsstForm2_arm; SPSS_FY09Q2_Feb20_NeedsAsstForm2_eng; SPSS_FY09Q2_Feb25_NeedsAsstForm1_arm

31, 2009. This is not a realistic timeframe. Though the SPSS expert has completed technical specifications³¹ in time, still many steps remain, which must be taken before the system will be completed. For example, the procurement will be governed by the procurement rules defined by the funding source. If the funds for the contract are provided through a World Bank loan, current information is that these constraints include:

- The tender cannot be published until the funds have been authorized;
 - The tender cannot be published until the pension reform law has been enacted;
 - The tender process must follow World Bank rules. This usually takes 3-4 months.
- These constraints make the July 31, 2009 date for the system extremely unlikely. Even if the laws are enacted, the funding received from the World Bank and the full procurement package is available on April 1, the contract will not be awarded until August. Software development activities will probably take 6 months after the contract is awarded.³²
 - Based on the abovementioned concern on tight timelines the SPSS experts suggested to consider the possibility to adapt the Macedonian Model on Personified Recordkeeping to the Armenian System. This suggestion was discussed during the meeting with the Deputy Minister of MLSI Mr. Asatryan and the First Deputy Chairman of SRC Mr. Chilingaryan. SPSS was requested to prepare a comparison between proposed Armenian and functioning Macedonian Personified Recordkeeping Models with objective to analyze the functions and evaluate the possibility to adapt the Macedonian model to the Armenian one in accordance with GOAM requirements. The paper was developed based on an in-depth working understanding of both Armenian and Macedonian models. The comparison and evaluation process shown that the main functions in 2 systems are more or less similar. However, only after determining the level of adaptability (standards on acceptance) by GOAM the applicability of the Macedonian model to the Armenian system should be determined.³³
 - In case the Macedonian Model is found applicable in RA, it will cause in cost and time reduction and mitigation of risks. As a result it will become more realistic to introduce the reform in January 2010.

1.F.3 Advise on tendering and management of contracts to develop new systems for collection on Unified Income Tax and personal data.

- Working with PRIWG to develop RFP and other tender documents; preliminary advice on some issues in PRIWG Memo #5³⁴ and in Memo #10.³⁵

1.F.4 Advise on tendering and management of contracts to develop new systems to enroll individuals in the second pillar.

- Working with PRIWG to develop tender documents. Preliminary advice on some issues in PRIWG Memo #5 and in Memo #10. In the meeting at Prime Minister's office held in March, it was decided that the RFP would be developed only after completion of work on Technical Specifications. Based on Technical specifications, the GOAM will determine a financial source for design and implementation of Unified Income Tax Collection and Personified Recordkeeping System. The financial source (Contractor) will be responsible for development of the RFP.

1.F.5 Advise on data migration from previous system as needed.

³¹ SPSS_FY09Q2_Mar24_TemplateTechnSpecfnUnfdTaxModel_eng

³² See SPSS_FY09Q2_Feb21_LCusickExitReport.doc

³³ SPSS_FY09Q2_Mar24_ComparsnModelArm&Macedon_eng; SPSS_FY09Q2_Mar24_ComparsnModelArm&Macedon_arm

³⁴ SPSS_FY09Q2_Jan23_PRIWGMemo5RiskAsst_eng

³⁵ SPSS_FY09Q2_Feb23_PRIWGMemo10ITTendrAnncmnt_arm;
SPSS_FY09Q2_Feb23_PRIWGMemo10ITTendrAnncmnt_eng

- Analysis on issues raised by PARNAS and SRC data exchange was provided.³⁶ SPSS experts lead the discussion of this issue by SRC and MLSI. During one of operational working group discussions with SRC, an agreement on necessity of specific PARNAS data migration to SRC was made. However, there is an ongoing discussion and dispute process between MLSI and SRC related to the need, parameters and timeframe for PARNAS data migration. A Government decree should be adopted to allow migration of Personified Data. The First Deputy Chairman of SRC Mr. Chilingaryan requested SPSS experts to provide a letter of justification on PARNAS data migration to SRC database as well as help the Legal Department of SRC to prepare this Government Decree. The justification letter has been provided³⁷, and the data migration is in process.

1.F.6 Advise on tendering and management of contracts to report to individuals their contribution and investment return in the second pillar.

- The SPSS team attended the NASDAQ OMX presentation. NASDAQ OMX has been chosen by GOAM as the Central Depository (CDA) to manage fully funded (Second Pillar) pension contributions. During a follow-up meeting at SRC on February 26th, SPSS presented a list of indicators that should be on the annual statement that second pillar participants will receive from CDA. The SRC and the CDA experts agreed on the list of information SRC will send to CDA and the information that CDA will provide to individuals annually.³⁸

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

1.G.1 Provide training on system reform.

- No activities during this reporting period due to lack of interest by SSSS and MLSI.
- MLSI, through SSSS, continues to have operational responsibility for the solidarity pension program in Armenia and for implementation of the pension reform. In the Government Program on pension reform (section 129), there are several requirements for the reform of the social sector, which are not currently reflected in the draft laws. They relate to better integration of data and/or services and moving toward non-cash distribution of pensions.
- If MLSI is expected to take action on this part of the program, there should be an assessment and planning process, which has not yet been initiated by MLSI.

1.G.2 Assist with refinement of system as necessary.

- No activities during this reporting period.

1.H Advise on policy and institutional reforms for other social insurance programs.

1.H.1 Assess existing social insurance programs, make recommendations to revise eligibility, benefits, targeting and disbursement.

- No activities during this reporting period.

1.H.2 Draft legislation as necessary to support reforms.

- No activities during this reporting period.

³⁶ SPSS_FY09Q2_Feb27_ParnasSRCMigrAnalys_eng; SPSS_FY09Q2_Feb27_ParnasSRCMigrAnalys_arm

³⁷ See SPSS_FY09Q2_Mar19_DataExchgProtocolMLSI-SRC_arm;

SPSS_FY09Q2_Mar19_DataExchgProtocolMLSI-SRC_eng

³⁸ SPSS_FY09Q2_Mar19_DataExchgCDA-SRC_eng; SPSS_FY09Q2_Mar19_DataExchgCDA-SRC_arm;
SPSS_FY09Q2_Mar26_DataExchgCDA-SRC_eng; SPSS_FY09Q2_Mar26_DataExchgSRC-MLSI_eng

2. COMPONENT TWO: EMPLOYMENT SERVICES

Component Two's focus during the second quarter has been working with SESA leadership to gain agreement on amendments for the FY09 Activity Plan, model office reorganization through new staffing and program development, and support to USAID and SESA in developing responses to the rising unemployment due to the Global Economic Crisis. Documents and a presentation were prepared for the US Ambassador and USAID Staff. Grants Management drafted the outsourcing manual for SESA final approval while 2 grants to NGOs to create new jobs for people with disabilities were approved. Job Clubs that motivate graduating orphans to seek employment is being explored. Model office Training introduced new staff functions and roles, development of a communication and program process map and training needs assessment to implement stronger active measures and employer relations. Technical Assistance was provided to SESA for the second Employer Survey analysis and its publication.

2.A Assist counterparts to develop a Strategic National Employment Service Action Plan with key elements: stronger links with private sector employers, outsourcing of selected services using social contracting, implementing locally based employment approaches 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 Build and strengthen internal capacities within SESA both on central and local levels to implement Action Plans.

- Agreement reached with SESA leadership on amendments to FY09 activity plan.³⁹
- On-going meetings with SESA leadership discussed timetables, indicators and coordinated activities to effectively implement the Activity plan.

2.A.2 Support in developing the draft strategy for Employment and the Draft Action Plan for Strategy Implementation.

- SESA and SPSS agreed to delete this under the new activity plan.

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

2.B.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.

- Two grant agreements and detailed attachments were approved and signed. A pre-award site visit was conducted to the "Armenian Union of Blind".
- The Grants Management Seminar was conducted for the "Astghatsolk" NGO and "Armenian Union of Blind". The first payment was issued to "Astghatsolk" NGO. Payment to Union of Blind NGO is in question due to concerns about the viability of the company's ability to create new jobs. More research is being conducted.
- The Outsourcing Manual was finalized and submitted to the SESA for review.
- A meeting was held with SPSS Grants Manager, Component 2 expert and the Vanadzor REC director to discuss SESA's capacity to organize a job club for the Vanadzor Orphanage Graduates. The REC has the ability, but no resources. SPSS will research options and develop a strategy for implementation during April.

³⁹ SPSS_FY09Q2_Feb3_ActivityPlanRev4_eng.xls; SPSS_FY09Q2_Feb3_ActivityPlanRev4_arm.xls

2.C Support continued reforms of SESA offices.

2.C.1 Assist SESA in rolling out the new portfolio of Active Labor Market Measures including full service offerings, countrywide coverage, involvement of NGOs and private providers, and Active Labor Measure message.

- SPSS is discussing with SESA potential methods that might mitigate the emerging labor market challenges in Armenia as a result of the world financial crisis.
- SPSS assisted SESA in advocating for a stronger employer-relations focus on the draft agenda for a US study tour being planned by AED.

2.C.2 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.

- Discussions were held with SESA on preparation of the procurement of tables to be used for employer working sessions, job club and job search trainings. These tables are in 4 SESA offices, renovated by USAID Armenia CHF Bridge project and one branch office.
- Discussions were held with SESA on procurement of entrance signs. A consensus around a common design for all SESA offices were developed.
- Research on self service Kiosks completed. Potential to use Armenian companies is high.
- On-going visits to Hrazdan, Gavar and Charentsavan model employment offices. Discussed local labor markets situation, procedural and functional reforms and planned steps for further assistance.

2.C.3 Assist in developing a sustainable monitoring and evaluation system with internal controls for determining overall effectiveness of employment services.

- SPSS is creating guidelines which will describe the performance targeting procedures, as well as the ways of interpretation of performance measure results. The model offices will be the first to institutionalize performance-based management systems in SESA.

2.C.4 Implement management reform and strategic staffing in pilot offices.

- The Short-term Expert visited Hrazdan Regional and Charentsavan local employment centers, focusing on prospective management and staffing reforms for the model offices.
- The Short-term Expert reviewed staff job descriptions and Armenia's Civil Service requirements to assure continuity within the Model office staffing and program changes.
- A process map for model offices, describing the functional, informational and procedural relationships between staff of employment centers was developed.
- Conducted one day training on "Model Centers" for SESA leadership, 8 USAID renovated Regional and Local Employment office directors and the SIDA (Swedish) training working group members.⁴⁰ Twenty-one participants (of which 12 women) attended the training. The training,

⁴⁰ SPSS_FY09Q2_Mar26_ModelOfficeTrEvRpt_eng.doc
SPSS_FY09Q2_Mar23_Model Office Implementation_arm.pptx;
SPSS_FY09Q2_Mar23_Model Office Implementation_eng.pptx;
SPSS_FY09Q2_Mar18_ActionPlanGoals#1_arm.doc; SPSS_FY09Q2_Mar18_ActionPlanGoals#1_eng.doc;
SPSS_FY09Q2_Mar18_ActionPlanIssuesFacingSESA#2_arm.doc; SPSS_FY09Q2_Mar18_
ActionPlanIssuesFacingSESA#2_eng.doc;
SPSS_FY09Q2_Mar16_MQsforSpecialists#3_arm.doc; SPSS_FY09Q2_Mar16_MQsforSpecialists#3_eng.doc;
SPSS_FY09Q2_Mar16_MQsforSupervisor#4_arm.doc; SPSS_FY09Q2_Mar16_MQsforSupervisor#4_eng.doc;
SPSS_FY09Q2_Mar16_ModelOfficeCustomerServices#6_arm.ppt;
SPSS_FY09Q2_Mar16_ModelOfficeCustomerServices#6_eng.ppt;
SPSS_FY09Q2_Mar18_ModelOfficeStaffChart#7_arm.doc; SPSS_FY09Q2_Mar18_ModelOfficeStaffChart#7_eng.doc;

conducted by a SPSS short-term expert, linked two Strategic Planning Sessions held in February and June 2008 to the development of stronger active measures within the model offices. The training resulted in SESA's consensus on new staffing functions and more focus on Employer and Active Measure programs. An Action plan on training needs and next steps for program delivery within "Model offices" was created. The participants will assess the training needs of model office specialists implementing employer relations and active measures. These assessments will be sent for SPSS analysis toward a training plan to build staff capacity.

2.D Support improvements to job-matching.

2.D.1 Strengthen capacity to analyze labor market and forecast supply and demand. 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 and providing reports and data to employers for job promotion.

- Provided assistance to SESA in analyzing the December 2008 Employer survey results.
- Based on the progress from the previous Employer Survey methodology, SESA implemented the second Employer survey and analyzed the results. SPSS will review the results of the survey and provide methodological assistance for further improvements.
- SESA is preparing the next Employer survey to be conducted in April/May. SPSS only needs to provide procedural oversight and monitoring.

2.D.2 Recommend improvements in survey content, design and reporting.

- SESA and SPSS agreed to delete this under the new activity plan.

2.E Promote upgrade of SESA IT system; linking field offices to center and installing (in coordination with World Bank IT projects).

2.E.1 Advise on IT and administration systems to support improvements in labor market survey.

- SESA and SPSS agreed to delete this under the new activity plan.

2.E.2 Advise on tendering and management of contracts to develop new systems.

- SESA and SPSS agreed to delete this under the new activity plan.

SPSS_FY09Q2_Mar18_ActionPlanResourceBarriers#8_arm.doc;
SPSS_FY09Q2_Mar18_ActionPlanResourceBarriers#8_eng.doc;
SPSS_FY09Q2_Mar18_ActionPlanActiveMeasuresItems#9_arm.doc;
SPSS_FY09Q2_Mar18_ActionPlanActiveMeasuresItems#9_eng.doc
SPSS_FY09Q2_Mar18_ActionPlanEmployerRelActionItems#10_arm.doc;
SPSS_FY09Q2_Mar18_ActionPlanEmployerRelActionItems#10_eng.doc;
SPSS_FY09Q2_Mar18_ActionPrioritization#11_arm.doc; SPSS_FY09Q2_Mar18_ActionPrioritization#11_eng.doc;
SPSS_FY09Q2_Mar18_ImplementationSchedule#12_arm.doc SPSS_FY09Q2_Mar18_ImplementationSchedule#12_eng.doc
SPSS_FY09Q2_Mar16_ModelOfficeProcessMap#13_arm.doc; SPSS_FY09Q2_Mar16_ModelOfficeProcessMap#13_eng.doc;
SPSS_FY09Q2_Mar17_ActiveMeasSpecJob#14_arm.doc; SPSS_FY09Q2_Mar17_ActiveMeasSpecJob#14_eng.doc;
SPSS_FY09Q2_Mar17_EmplRelSpecJob#15_arm.doc; SPSS_FY09Q2_Mar17_EmplRelSpecJob#15_eng.doc;
SPSS_FY09Q2_Mar17_ECDeputyDirectorJob#16_arm.doc; SPSS_FY09Q2_Mar17_ECDeputyDirectorJob#16_eng.doc;
SPSS_FY09Q2_Mar17_ECDirectorJob#17_arm.doc; SPSS_FY09Q2_Mar17_ECDirectorJob#17_eng.doc;
SPSS_FY09Q2_Mar17_SESAProgramSpecialistJob#18_arm.doc;
SPSS_FY09Q2_Mar17_SESAProgramSpecialistJob#18_eng.doc;
SPSS_FY09Q2_Mar17_ImplementationandMonitoring#19_arm.doc;
SPSS_FY09Q2_Mar17_ImplementationandMonitoring#19_eng.doc;
SPSS_FY09Q2_Mar18_EmployeeSelectionAssessment#20_arm.doc;
SPSS_FY09Q2_Mar18_EmployeeSelectionAssessment#20_eng.doc;
SPSS_FY09Q2_Mar17_TrainingNeedsAnalysisForm#21_arm.doc;
SPSS_FY09Q2_Mar17_TrainingNeedsAnalysisForm#21_eng.doc

2.E.3 Provide IT training and support for improvements.

- SPSS conducted a telephone connectivity customer satisfaction survey among regional and local employment offices. There is diversity in performance, from excellent to bad results.
- Meetings with SPSS IT and Employment staff and SESA Experts met to resolve connectivity concerns within SESA. SPSS reviewed agreements and analyzed issues affecting the connectivity and provided suggestions to SESA IT expert on methods to log complaints. SPSS supported SESA to not continue with the three party agreement among the contractor, NORK and SESA. SESA will only implement agreements with NORK.

2.E.4 Assist with refinement of systems as necessary.

- SESA and SPSS agreed to delete this under the new activity plan.

2.E.5 Provide training on new systems and establishing ongoing training function within SESA.

- SESA and SPSS agreed to delete this under the new activity plan.

2.F Support improvements of vocational guidance and job (re)training.

2.F.1 Promote cooperation between SESA and the career centers of education and training institutions. Assist post secondary institutions to utilize labor market forecasts in academic planning as well as curricula development.

- SESA and SPSS agreed to delete this under the new activity plan.

2.F.2 Assist SESA to develop new services for employers aimed at supporting employers to provide customized retraining opportunities to continuously upgrade worker skills (to increase retention). Training needs analyses and training advice.

- SESA and SPSS agreed to delete this under the new activity plan.

2.F.3 Build capacity within SESA/NILSR/other stakeholders to analyze occupational data to develop occupational codes and standards linked to employers' needs.

- SESA and SPSS agreed to delete this under the new activity plan.

2.G Implement ongoing stakeholder involvement and public outreach activities to promote ownership and awareness of Employment Services.

2.G.1 Design and implement a public outreach campaign including production of brochures, round tables and seminars on employment services for employers and employees.

- Armenia's labor market challenges and the Economic Crisis' impact on Armenia's labor market were presented to the US Ambassador and USAID mission staff during a round table.⁴¹ As a result, SPSS was asked to create a labor market SWOT analysis chart and write a short proposal on possible SESA programs that would better address the rising unemployment.⁴²
- Participated in US Embassy International Donors meeting to discuss donor response to the economic crisis.
- A presentation on the World Economic Crisis' impact on Armenia's labor migration and labor market was made at a journalist training organized by IREX and CRRC.⁴³
- Met with the Swedish consultants to discuss future collaboration and activities to assist SESA.
- Participated in presentation on Elite Migration, provided by Eurasia foundation.

⁴¹ SPSS_FY09Q2_Feb25_USAIDresponsetoCrisis_eng.docx

⁴² SPSS_FY09Q2_Feb25_CrisisRespLMMMeasChart_eng.doc

⁴³ SPSS_FY09Q2_Feb20_LaborMarketAndEconomy_arm.ppt; SPSS_FY09Q2_Feb20_LaborMarketAndEconomy_eng.ppt

- Met with NILSR, to discuss progress towards the development and implementation of job classification.
- Participated in a presentation of results of “Labor force survey in rural areas” conducted by Ameria Consulting company for SESA.
- Held a meeting with VET (Vocational Education and Training) system representatives to discuss methods for future coordination of donor activities. Participants included DVV, VET, AAEF, Global Development Fund, UNDP and CHF Bridge and USAID.

3. COMPONENT THREE: OCCUPATIONAL SAFETY AND LABOR

The Component Three team aims to coordinate actions at the Ministry level to reinforce and harmonize Armenia’s achievement of its ILO Strategy for Decent Work 2007-2011, including development of safe workplaces and widespread awareness of occupational health and safety. The team continues collaboration with SLI with the aim to expand its impact and build its capacity more effectively to carry out its mission of customer service and oversight. The Component also works with other important actors in the RA Government, notably the Ministry of Economy and the Ministry of Health, in the field of workplace safety.

This quarter, Component Three continued working with MLSI and SLI on drafting a Government Decree on Basic OSH Rules and Norms. An agreement was reached to work jointly and finalize the drafting during March 2009. The drafting of the Government Decree was finalized and presented to LED. The draft regulations also were discussed with the deputy minister, who requested SPSS experts continue to work on the Draft Decree with the working group. He also requested assistance with clarification of differences between existing safety (hygienic and technical) norms and standards, and draft occupational safety regulations. The draft Decree will be sent to ILO for an expert opinion. An ILO expert in the field is expected to work with the working group on the draft in May. Also MLSI and SLI have agreed on the 2009 work plan between SLI and SPSS. One of the main areas of action for the remainder of 2009 will be the implementation of the Risk Based Enforcement Action Plan at SLI. The Labor and Employment Department of MLSI will be engaged in the process more actively, as the Minister has signaled the necessity of introducing such a system at SLI.

Work undertaken this quarter again concentrated on the public outreach functions of the Inspectorate, including reinforcing last quarter’s public awareness effort of the head of SLI Harutyun Harutyunyan on “Social Hour” TV Program which was jointly financed by SPSS and MLSI on the H2 TV channel, where he reported on SLI’S 2008 activities and results.

Lessons learned from this quarter centered mostly on the need for assisting SLI with establishing better interaction and coordination within different Ministry agencies (SMEC, NORK and SSSS). Also, the emphasis of the Ministry on regulations for occupational safety and health was reinforced. Work for the third Quarter will concentrate on further assistance with the drafting of a comprehensive OSH regulation and implementation of the Risk Based Enforcement Action Plan and the improved complaints mechanisms at the Labor Inspectorate.

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

3.A.1 Implementation practices for norms delivered.

- The team continued working with MLSI and SLI on drafting a Government Decree on Basic OSH Rules and Norms. An agreement was reached to work jointly and finalize the drafting before March 2009. The drafting of a Government Decree has been finalized and presented to

LED. The draft regulations were also discussed with the Deputy Minister, who requested SPSS experts continue to work on the draft Decree with the working group. He also requested SPSS to assist with clarification of differences between existing safety (hygienic and technical) norms and standards, and draft occupational safety regulations.⁴⁴ The draft Decree will be sent to the ILO for an expert opinion. An ILO expert in the field is expected to work with the working group on the draft in May.⁴⁵

- An agreement was reached with RUEA in quarter one on joint actions towards improved Labor Code outcomes in Armenia, including public discussions and promotion of draft OSH regulations with the business community, and that collaboration was further encouraged during Quarter 2.

3.B Continued modernization of Labor Inspectorate.

3.B.1 Assist LI to issue regular reports on labor issues, and provide outreach programs for the private sector, labor unions, employers and workers.

- Continuation of distribution of 2000 copies of handbooks for employers on management information systems published last quarter and a how-to on implementing OSH at the workplace. Facilitated ongoing attention to OSH data management and reporting.

3.B.2 Conduct annual survey of business community views on SLI performance, transparency and practices.

- A workshop was organized in the fall of 2008 in cooperation with REUA, where 16 employers and other stakeholders discussed the report of the second annual survey of business community views on SLI and occupational safety conducted by SPSS subcontractor VGM Partners.⁴⁶ After the presentation of the report, participants proposed recommendations and next steps for making the report more conformant to public needs.⁴⁷ SPSS activity in quarter 2 reinforced the dialogue from both sides in the context of planning follow-up events. A workshop on business community views of SLI performance, transparency and practices will be conducted in the third quarter of FY09.

3.B.3 Promote establishment of efficient, effective complaints mechanism.

- A provision for presentation of best practices of registering and responding to complaints is included as part of this year's Annual Work Plan with MLSI.
- Recent negative press coverage of SLI inspector corruption has stimulated more interest on the part of SLI management in an effective complaints mechanism.
- The assessment of current complaints mechanisms at SLI was started. Presently the review of legislation and appropriate practices is being conducted.

3.B.4 Provide training on data collection and analysis such as MIS/IT systems and changes in business processes.

- After troubleshooting SLI's Access-based database, training for data representatives of all SLI regional offices was conducted by the "NORK" Center in cooperation with SPSS. Twenty-one SLI employees participated in the two day trainings on November 6-7, 2008, and the use of the system is now being monitored.

⁴⁴ SPSS_FY09Q2_Mar3_OSHbriefer_arm.doc; SPSS_FY09Q2_Mar3_OSHbriefer_eng.doc

⁴⁵ SPSS_FY09Q2_Jan20_OSHregulContent_eng.doc; SPSS_FY09Q2_Jan20_OSHregulContent_arm.doc

⁴⁶ SPSS_FY09Q1_Oct28_VGMemployerPresRUEATrainingRpt

⁴⁷ SPSS_FY08Q4_Oct01_VGMemployerPresRUEA_eng.ppt, SPSS_FY08Q4_Oct01_VGMemployerPresRUEA_arm.ppt

3.C Introduce methods for risk-based Occupational Safety enforcement.

3.C.1 Assist LI to develop and implement new business processes with mechanisms to identify, sanction and eliminated unsafe and unfair practices, and ensure that work conditions meet acceptable standards. Establish IT system and procedures for identifying high-risk firms.

- Final troubleshooting of functional problems of Access-based SLI database, identified during piloting the system in two SLI regional offices, was completed by the “NORK” Center in cooperation with SPSS, and after the two day trainings on the database for data representatives of all SLI structural and regional divisions, the database was introduced at SLI.
- Implementation of the Risk Based Enforcement Action Plan at SLI, prepared by SPSS to help identify high-risk firms through data analysis and accordingly prioritize inspections, is underway. The action plan sets forth necessary steps for implementing risk-based analysis and provides recommendations for linkages between the health care system, SMEC, SSSS databases and SLI. Analysis of data from SSSS and SLI on employers’ social contributions, short term disability costs, employee numbers and accidents was conducted for identifying companies with potential occupational safety risks.
- After discussion at MLSI, SLI agreed upon a 2009 work plan between SLI and SPSS. One of the main areas of action in 2009 will be the implementation of the Risk Based Enforcement Action Plan at SLI. The Labor and Employment Department of MLSI will be engaged in the process more actively, as the Minister has signaled the necessity of introducing such a system at SLI.

3.C.2 Capacity Building Training for Inspectors to focus on high-risk industries.

- Training on applicability and implementation of international best inspection practices for 25 labor inspectors from SLI regional offices was conducted on November 6th in cooperation with NILSR as part of budget funded SLI trainings, and needs for follow-up training are being identified.⁴⁸ SPSS also focuses on identifying people at SLI and NILSR for building in-house training capacities.

3.D. Implement ongoing stakeholder involvement and public outreach activities to promote ownership and awareness of Occupational Safety and Labor.

3.D.1 Assist MLSI to conduct Public Affairs campaign regarding occupational safety.

- Series of discussions and seminars with MLSI, Employers and Trade Union representatives are planned for promoting ownership and awareness on Occupational Safety and Labor Code for FY 2009.
- During quarter 2, on December 13th, the Head of SLI participated in the Social Hour Program jointly financed by SPSS and MLSI on H2 TV channel, where he began an unprecedented transparent public presentation of SLI 2008 activities.
- SLI in cooperation with the “NORK” Center renovated its website, making it more user-friendly, interactive and useful by adding new tools (forums for discussions, frequently asked questions, electronic registration for employer seminars, useful documents, etc).
- To address the relative isolation of the Armenian State Labor Inspectorate vis a vis international best practices and other inspectorates operating around the world by strengthening its international commitments, SPSS assisted SLI with its 2009 IALI fee. Supporting membership status at the IALI will also extend the SLI’s opportunities for meeting with other inspectorates, networking and sharing experiences, and learning from other, similarly-situated countries’ experiences. In November 2008, SLI through its own funding, participated in an IALI conference in Riga, where the head of the SLI reported on the trainings of inspectors. In February 2009 a SLI delegation visited their Bulgarian counterpart as part of strategic alliance between 15 LIs

⁴⁸ SPSS_FY09Q1_Nov06_NILSRPart1LaborPresn_arm.ppt, SPSS_FY09Q1_Nov06_NILSRPart1LaborPresn_eng.ppt

under IALI framework where inspectors were presented with best practices. SLI also plans to participate in an IALI event in Portugal and host a conference in Armenia in October/November.

COMPONENT FOUR: SOCIAL ASSISTANCE TO VULNERABLE POPULATIONS

4.A STRENGTHEN SOCIAL SAFETY NET PROGRAMS.

4.A.1 Capacity building for social safety net improvement and development of basic analytical and research skills at NILSR.

- In February, there were structural changes in NILSR. The Resource center was restructured and became a part of a Library and Publication Division. Koryun Grigoryan became the head of the Division. Mr. Grigoryan approached SPSS with a request to double capacity-building efforts to help the resource center establishment. Currently SPSS staff works with them to prioritize the tasks and further develop the capacity to meet basic demands.
- The NILSR Information analyses division was reorganized, as well, and new employees hired on a competitive basis to become members of the team. SPSS worked with them on analytical capacity development.
- SPSS continues to build capacity for design and maintenance of the NILSR website.⁴⁹ SPSS helped NILSR with team building and continued to assist them to compile the relevant materials and the home page needed to activate the website.
- Improvement of the demographic situation is one of the policy priorities for GOAM in general and for the MLSI in particular. MLSI decided to establish a new Demographics division in the NILSR to support and advise on the positive demographic process of the social policy. Vardan Marukyan became the head of the division. SPSS works with the newly created division to assist with the execution of the first task related to the preparation of the demography strategy. SPSS shared the tables on maternity policy^{50,51} in different countries and drafted the situation analyses on Maternity issues in Armenia^{52,53}
- Mr. Marukyan from the newly established Demography Division requested assistance from SPSS to provide support with modeling to the newly appointed staff of the division. As one of the NILSR staff members participated in SPSS modeling trainings, she was selected to get further coaching, which is now in progress.
- The SPSS Crosscutting team continues to transfer SPSS's reference library to NILSR. Materials on financing and budgeting in the social sphere, as well as a newly-printed reference guide on children's issues were transferred to the Resource center.

4.A.2 Support MLSI in identifying minimal social services.

- SPSS continued to work with the NILSR team on further recommendations made on the foundation of the SPSS-supported survey "Sustainable Social Assistance Development Strategy".⁵⁴ The research team continued analyses of the received data that showed the level of effectiveness of the current family benefit system, noting that the sequence of social groups seems to be logical. At the same time, the family benefit system (updated as of January 2009) is

⁴⁹ SPSS_FY09Q2_March11_NILSRwebpage.ppt

⁵⁰ SPSS_FY09Q2_Mar11_Maternity(arm).doc

⁵¹ SPSS_FY09Q2_Mar11_Maternity_eng.doc

⁵² SPSS_FY09Q2_Mar11_MaternLeaves_arm.doc

⁵³ SPSS_FY09Q2_Mar11_MaternLeaves_eng.doc

⁵⁴ SPSS_FY09Q2_Jan29_DevelopmentOfSocialAssistanceStrategyNILSR_eng.doc

often used to resolve political issues such as the demographic policy to encourage childbirth.⁵⁵ The single pensioner inclusion to the beneficiaries list is likely driven by emotions.

- In general, the system is designed in a way that first a decision is made on determination of the vulnerability of the social group(s) that the applicant belongs to, and only after that the will Social Services adjust the vulnerability points, various factors and formulae. The researchers believe that the principle should be just the opposite; first the vulnerability scores, factors and formula should be identified or devised and then the family vulnerability score should be determined. The first set of recommendations was ready for discussion at the end of January.^{56,57}
- In March MLSI worked on the follow up recommendations and decided to do a limited publication of the survey results, distribute it among professional stake holders (social services, NGOs, scientists) and organize discussions/round tables to get opinions to finalize a set of recommendations on improvement of the social assistance delivery and targeting in Armenia., with SPSS assistance.
- Armenia is an aging country. The aging of the society brings new challenges and forces consideration of social policies to react effectively to the growing need for elderly care as well to ensure secure, dignified and active ageing. In summer 2008, MLSI approached SPSS with a request on an urgent need to deliver a nationwide survey to find out the main problems and gaps related to the aging population in order to ensure evidence-based policy design in conformity with current needs and international standards. Some work had been done by UNFPA, NSS, UNDESA and Mission Armenia, but there was no comprehensive overview of the aging problem in the country. SPSS supported a contract with the NILSR to continue the development of analytical and informational materials on the bases of the prior surveys. By the end of 2008, NILSR had finalized the quantitative survey “On Development of a Strategy in Aging and Elderly Issues” and in January presented the initial findings.⁵⁸ The initial observation of the completed work shows that at this stage NILSR possesses a huge number of factual materials which could, with cogent analysis, be translated into the basis for a comprehensive aging policy. SPSS continues to work with the NILSR staff to assess the best scenarios and to determine three or four options to pilot. At this stage it is already clear that the survey results can be translated into:
 - Employment policy directions for the aging population,
 - Appropriate Family policy for the real needs of the aging populations
 - Social transfers for aging populations
 - Care facilities
- Relevant maps were prepared to a give visual understanding of the situation in different regions. NILSR is planning to put the maps on the NILSR website.^{59,60,61,62}

4.A.3 Develop mechanism for annual evaluation of social assistance targeting.

- At the end of December, SPSS finalized its support on the MLSI program budgeting process. In January SPSS worked on continuity of MLSI budget process skills development. SPSS consulted on pending reporting, recommendations and best practices transfer to MLSI, and preparation of an instructional Program Budgeting CD is in progress.⁶³

⁵⁵ SPSS_FY08Q2_Feb03_FamBenComparTable2009_eng.doc

⁵⁶ SPSS_FY09Q2_Jan10_DevelopmentOfSocialAssistanceStrategyNILSR(first draft)_eng.doc

⁵⁷ SPSS_FY09Q2_Jan29_DevelopmentOfSocialAssistanceStrategy(draftrecomendations)NILSR_arm.doc

⁵⁸ SPSS_FY09Q2_Jan05_StrategyAgingElderly.doc; SPSS_FY09Q2_Jan14_ProgrBudgTrainigMater_eng.doc

⁵⁹ SPSS_FY09Q2_Dec28SpendingRuralMap.cdr

⁶⁰ SPSS_FY09Q2_Jan28IncomeUrbanMap.cdr

⁶¹ SPSS_FY09Q2_Jan28SpendingUrbanMap.cdr

⁶² SPSS_FYQ2_Jan28IncomeRuralMap.cdr

⁶³ SPSS_FY09Q2_Jan14_ProgrBudgTrainigMater_eng.doc

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

4.B.1 Design and pilot cost-effective methods for subcontracting by grant matching programs.

- The second round of the Accessible Community competition was announced in the newspapers, and on the SPSS and MLSI websites. The competition packages were distributed.
- The orientation seminar for “Accessible Community” competition applicants was conducted jointly with the MLSI representative Kristine Hovhannisyanyan on March 24, 2009.
- The Grant Evaluation committee was formed including MLSI, Local government, NGOs and SPSS representatives. The Committee meeting was held on March 26, 2009.
- The Nubarashen Community Grant Evaluation committee was formed and is represented by the MLSI, Local government, SPSS and World Vision Armenia. The Grant Evaluation Committee meeting for Nubarashen Community is scheduled for April 8, 2009.
- A site visit was conducted on the “Aravot” NGO “Vanadzor Orphanage Graduates” project. The site visit report and follow up Letter are attached.⁶⁴
- A Roundtable discussion for grantees on “Sustainable Community-Based Social Services” is planned for April 15, 2009. The preparations for the Roundtable are in progress.

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

4.C.1 Establish professional status of "Social worker" by strengthening civil society groups.

- SPSS finalized the referral guide on “Children’s Protection in Armenia.” The ARS (SPSS subcontractor) in collaboration with MLSI and NILSR prepared it as an essential reference for social workers throughout Armenia. This guide provides concise, practical information, presents the latest developments in this area, and explains the current role of social services and the law safeguarding children. It is a valuable source of information about the formal and informal sources of child protection assistance in the country. It contains a comprehensive Map of Child Protection Systems. Major stakeholders, social workers in GOAM, NGOs and the local Government received 1000 copies of the guide.⁶⁵
- SPSS continues to work with its partners to place the referral database on the MLSI website for public access, as well as on follow up activities.
- SPSS supports preparation and printing of a promotional bookmark, to advertise the electronic database related to children’s protection in Armenia to be placed and maintained on the MLSI website by the Women, Family and Children’s issues department with support from the NILSR Resource center.⁶⁶
- A roundtable with participation from the Deputy Prime Minister Armen Gevorkyan, and MLSI Minister Arsen Hambartzumyan, as well as representatives of the NGO community, civil society, Government and media was organized at MLSI. The event received extensive media coverage, and during the event the Deputy Prime Minister recognized that the issue of vulnerable children is not getting sufficient attention by the Government. Both the Minister and the Deputy Prime Minister spoke about the existing gaps and committed to work harder with the communities and civil society to find the best, cost effective solutions for existing problems.^{67,68}
- As a follow up to Government coordination of social assistance, the Deputy PM suggested organizing a round table/conference in late spring to find the gaps and solutions. SPSS will work

⁶⁴ SPSS_FY09Q2_Mar10_AravotSiteVisitRprt_eng, SPSS_FY09Q2_Mar10_AravotSitevisitFollowup_eng

⁶⁵ SPSS_FY09Q2Jan29_ARSSRefBook.pdf

⁶⁶ SPSS_FY09Q2_Jan29_ARS_SPSSBookmark.pdf

⁶⁷ SPSS_FY09Q2_Feb10_ReferenceBookChildPublication.doc

⁶⁸ SPSS_FY09Q2_Feb10_ReferenceBookChildPublicationRound table.doc

with ARS, Ministry of Territorial Administration, MLSI and the NGO community to prepare a discussion and solution roundtable.^{69,70}

- In the second quarter, SPSS assisted the “Community Connection” Program in development and organization of a USAID supported social workers study tour to the USA. The program will provide the participants with an opportunity to learn about the US social work model and to examine the role of government, NGOs and faith based organizations in addressing the complex needs of vulnerable populations. SPSS encouraged NILSR involvement in the recruitment and selection process, as it has responsibility for Social Work qualifications. NILSR hosted the orientation trainings and final interviews. The NILSR Deputy Director, together with the SPSS project, worked on recommendations for the study tour and committed to the follow up. Three meetings were organized including: a meeting at MLSI to target representatives from MLSI Social Assistance Department and Social Work of Armenia; a meeting at NILSR to target 55 regional social services all over Armenia, 11 social assistance divisions at regional government offices, and members of non-governmental organizations involved in social work; and a meeting at Yerevan State University.
- SPSS assisted the “Community Connection” Program and the Cambridge-Yerevan Sister City Association to formulate the tour agenda and priorities based on gaps in the Armenia social assistance system revealed in the SPSS/NILSR social worker skills mapping of 2008.

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

4.D.1 Provide translation of manuals, recommendations and standards for monitoring and evaluation at the project level. Develop quality control and monitoring methods.

- As a follow up of an SPSS Budget and Monitoring and Evaluation consultancy, the NILSR team was tasked to work on the Elderly Care indicators. The first set of indicators is already under MLSI Monitoring and Evaluation Division consideration. The work is under way with SPSS coaching.
- At the same time, NILSR team received a request to do a follow up of a SPSS project consultancy focused on development of social transfer efficiency indicators, which is also under way with SPSS coaching.
- As a follow up to the publication of the Compilation of Legal Acts on Social Assistance Issues, SPSS continues to work with the MLSI Social Assistance Division on the follow up publication that will include the recent changes in the laws and new government decrees.

4.E Implement ongoing stakeholder involvement and public outreach activities to promote ownership and awareness of Social Assistance to Vulnerable Populations.

4.E.1 Support of development of an internal stakeholder awareness campaign by arranging education, information, communication events and materials.

- Last year SPSS helped MLSI to organize the Public Outreach Campaign on Family Benefit Issues. In 2009 MLSI institutionalized the practice and used the procedures and templates established by SPSS to update the public awareness effort.

5. CROSSCUTTING ACTIVITIES

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

5.A.1 Design roundtables and forums as needed to support the four components.

⁶⁹ SPSS_FY09Q2_Feb17_Press RelARSRefBook.arm.doc

⁷⁰ SPSS_FY09Q2_Feb17_Press RelARSRefBook.eng.doc

- SPSS started to deliver advanced training to 3 specialists from MLSI to improve their skills in using the SPSS statistical model in pension policy and other demographic and social policy modeling issues. The candidates were selected from the participants of the training on Armenian Pension System Model on the 2nd Pillar. The training will continue for at least three months.
- A new round of competition for SPSS interns was completed at the end of January, and of 5 finalists, one new intern was recruited to support the SPSS Employment Component, and one to assist with cross-cutting activities.
- On March 24, 2009, SPSS organized a Model Office Training Workshop for the SESA, Model and Regional Office directors.⁷¹ In view of the fact that Model Office development is critical in the implementation of active labor market programs in employment centers, the training was aimed at building the training capacity of three staff groups within SESA's program unit for future planned replication of model office services and programs throughout SESA.
- Ongoing reporting of the USAID official training reporting software TraiNet continues to make progress, which is envisaged by the USAID policy for all USAID projects.
- Three students, interning through the SPSS Student Internship Program, are learning program support skills for various programmatic activities including research of international best practices, processing training evaluations, website updates, etc.
- The SPSS website Media Corner page is updated with 4 Press Releases (Armenian and English) on SPSS events, such as the ribbon cutting ceremony of SESA's Regional Employment Center in Gavar, a job fair in Gyumri, Employers Sample Survey results presentation, and the reopening of Hrazdan and Charentsavan Employment Offices (http://www.spss.am/index.php?cat_id=157).
- Articles called "I Seek Advice" and "The Feminine Face of Poverty in Armenia" were published on the SPSS project website on the Information Materials page. These articles cover the issues of violations of women's rights in face of single mothers and unregistered marriage and the high rate of women working in low-paid positions in Armenia.⁷²
- The SPSS website's "Useful Links" and "Partners" web-pages were updated with recent partner information (http://www.spss.am/index.php?cat_id=161&out_lang=eng).
- The SPSS website Social Insurance page was updated with recent information on the work of the PRIWG. The Pension Reform Implementation Gantt Chart (http://www.spss.am/index.php?cat_id=153 - in Armenian), was posted under the site's Information Materials section and is being updated on weekly basis to guide project management flow for the pension reform implementation process.
- An article describing management upgrades: "SESA Pilots a New System for Better Employment Services" on Employment Programs Performance Measures trainings, development of SESA-specific Performance Measure Indicators and the success of the pilot of new performance indicators in SESA's two regional employment offices during 2007 and 2008 was produced and posted on the SPSS website homepage.
- The SPSS web-site Media Corner is updated with one Press Release on the presentation of a guide-book "Child Protection System in Armenia".
- An article (Armenian and English) on the launch of the guidebook on "Children Protection System in Armenia" was posted on SPSS website homepage.
- SPSS supported "Havat" NGO of Hard-Hearing Children's Mothers to prepare and publish the book on "Surdological Education for Hearing Disabled Children" which aims to promote the development of education programs for deaf children in Armenia. The electronic copy of the book is available on the SPSS Publications webpage (<http://www.spss.am/docs/HavatBook.pdf>).

⁷¹ SPSS_FY09Q2_Mar26_ModelOfficeTrEvRpt_eng.doc

⁷² SPSS_FY09Q1_Dec11_PublicationlocalPressWork.pdf
 SPSS_FY09Q1_Dec1_WorkSingleMothersPublicatn_eng.pdf

- A new report on “Pension Reform Knowledge in Armenia. Report on Nationwide Baseline Survey Findings” (in Armenian and English) was posted on the project website publications webpage (http://www.spss.am/docs/SPSS_FY09Q2_Mar1_AUAPensRefBaselineSurv_eng.pdf)
- Publication of Organizational Development Manual is underway to be distributed in the scope of Sustainable Community based social services roundtables.

5.B Policy, regulatory, and legislative review, drafting and promotion (PD).

5.B.1 Seek stakeholder inputs.

- SPSS facilitated vigorous stakeholder discussions of the pending Pillar I Law and the Law on Personified Recordkeeping of Unified Income Tax and Funded Contribution Collection.

5.B.2 Apply international best practices and lessons learned. Assist with identifying necessary changes for compliance with the European Social Charter.

- The 3rd National Report of European Social Charter is being developed by the MLSI. SPSS has received a request to revise and comment on the draft report, and will provide assistance.

5.B.3 Assist with strategic planning.

- Strategic planning support was strong in all components.

5.B.4 Draft legislative and regulatory proposals.

- Reference 1.A and 1.C.

5.B.5 Assist development of legislative and government adoption strategies.

- No activities during this reporting period.

5.B.6 Assist with revisions.

- SPSS experts provided the PRIWG with several memos with comments and recommendations (see 1.A and 1.C) based on which the full package of RA Pension Reform Laws was revised.

5.D IT and other commodity procurement (ITP)

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

- SPSS IT experts, jointly with NORK center specialists, prepared a service level agreement and drafted a contract for providing network connectivity for MSEC offices. SPSS IT experts, jointly with the “NORK” Center IT specialists, controlled execution of the contract on network connectivity installation for MSEC offices. As of March 3, 2009, all 48 SMEC offices included in the contract have been connected. Hence, the first contract was successfully completed.
- Specialists from the “NORK” Center have reported that there were no significant problems registered since the beginning of connectivity for SMEC offices.
- SPSS IT experts, jointly with the “NORK” Center IT specialists, monitored and controlled execution of the contract on network connectivity for SESA offices. All connectivity interruptions have been reflected in the monthly fee reduction accordingly with service level agreement in amendment of the contract with Arminco.

5.D.2 Develop and implement training on needs assessment, systems priorities, cost benefit analysis, IT and admin specifications, tender process, installation.

- SPSS IT experts held several sessions with a working group established by SRC, MLSI, MOF and CBA for needs assessment, business requirements solicitation and preparing of IT specifications for the Unified Tax collection system.

- Discussed technical approaches to Unified Tax e-reporting system and alternative solutions for submission of the reports.
- SPSS IT experts presented the main (online and offline) ways of submission of e-reports as well as advantages and disadvantages of both systems. SRC IT department managers agreed that regardless of online or offline submission, e-signature should apply.
- SPSS IT experts prepared recommendations for implementing digital signatures certification center at SRC in line with the long term strategy of the Armenian Government to establish ONE Certificate Center for the whole country. The solution proposed is flexible enough to integrate with the forthcoming Central Certification Authority for the Republic of Armenia.⁷³
- Discussed technical approaches to Unified Tax e-reporting system and alternative solutions for submission of the reports.
- Meeting with the working group to discuss the needs assessment of new SRC system for the migration of data from the PARNAS database.
- The analysis of the PARNAS and SRC data information was presented by the SPSS IT experts to the working group. Analysis showed that 94% of the worker population could be matched to the SRC tax agent information as of December 31, 2008, and that 84% of tax agents were matched in the process.
- SPSS IT experts drafted protocol for data exchange between SRC and MLSI for data migration and updated the exchange between SRC and MLSI for the implementation of Unified Income Tax and Fully Funded Pension reform programs.⁷⁴
- There was a meeting in NORK to assess the SSC database and the requirement of the new SRC Unified Tax Collection system. Two alternatives discussed how the Social Cards database maintained by NORK would be made available to the SRC to perform employees personal data and Social Card numbers validation. The conclusion was that NORK would prepare an intermediate database with the information required by the SRC systems. That database would be available to SRC either via communication line directly to the NORK site or through a replication process into a data structure available to SRC.
- Another important issue discussed at this meeting was a needs assessment for sharing of data collected by SRC with the MLSI agencies. At present, an optimal solution is that SRC will replicate required data to the NORK center which will share them with all Social Agencies.
- The system specifications (based on the status of proposed legislation as of that date) for the receipt and distribution of funds and data were delivered to MLSI and SRC on 31 March 2009.⁷⁵

5.E Anti-corruption initiatives (AC)

5.E.1 Assess current laws and procedures for points of corruption risk.

- No activities during this reporting period.

5.E.2 Systematically address risks in the development of new policies, laws and procedures.

- Pension law drafting includes attention to processes that would discourage corruption, including maximizing the use of technology for receiving and processing tax and contribution reports, and automating applications for pensions.
- Newly introduced SLI data management processes sharply reduce corruption risks.
- Social Assistance formula analysis contributes to corruption risk reduction.

⁷³ SPSS_FY09Q2_March19_DataExchgCDA-SRC_eng

⁷⁴ SPSS_FY09Q2_Mar19_DataExchangeProtocolSRC_MLSI_eng

⁷⁵ SPSS_FY09Q2_Mar31_TechnSpecifcsDelivrbl_eng

5.F Gender (G)

5.F.1 Seek gender balance in all training.

- For the report period, 288 people attended SPSS Project events, of which 128 were men and 160 were women. For more details, see the Accumulated Training Chart below, Clause 8.

5.F.2 Seek gender balance in all assessments and events designed to generate public input.

- Gender balance is sought in all capacity building activities, and special effort is made to prepare female participants to assume roles of greater responsibility.

5.F.3 Assure gender balance is incorporated in all proposed policies and procedures.

- In its program development and policy writing work, SPSS carefully examines the potential effect on gender groups and seeks balanced impact.

5.F.4 Model gender balance in project management structure.

- In its own staffing decisions (14 of 22 long-term staff are women, and there are 9 females and 8 males engaged through service agreements), SPSS strives to maintain gender balance.

5.G. Monitoring and Evaluation (M&E)

5.G.1 M&E implementation and refinement.

- The SPSS quarterly report for January-March FY09 tracks the progress of the project components in conformity with the older version of Work Plan of FY09. The reporting of the following quarter (April – June 2009) will be built in line with the Work Plan FY09 approved as of March 17 2009.
- SPSS continues to support MLSI in developing monitoring indicators for MLSI programs.
- Development of social transfers' efficiency indicators by NILSR with support from SPSS is still in progress.

5.H. Sustainability Strategies (SS)

5.H.1 Seek alignment of present political will with proposed strategies, policies, regulations and procedures.

- No activities during this reporting period.

5.H.2 Assess potential programmatic costs for proposed innovations and seek long-term solutions affordable to GOAM.

- SPSS supported publication of Children's Protection in Armenia (1000 copies) and MLSI committed to support the follow up for the electronic update of the publication

5.H.3 Involve stakeholders at every design stage.

- Every activity involves stakeholders.

5.H.4 Provide training and mentoring sufficient to establish a sustainable skill base among implementers.

- All SPSS activities aim to establish sustainable capacity among counterpart implementers. Reference especially 1.B, 1.C, 1.E, 1.G, 2.A-E, 3.B, 3.D, 3.E, 4.A, 4.B, 4.E, and 5.C in this reporting period.

5.I Grants Management (GM)

5.I.1 Allocate grant funds in a manner consistent with strategic priorities and targeting established with GOAM.

- Refer to 4.B.1.

6. OVERALL PROGRESS

6.A Progress Towards Work Plan Objectives

The activities reported above are against a work plan proposed by SPSS to USAID in September 2008, pending adaptations resulting from consultations with the primary counterpart, MLSI, formal approval is anticipated in early 2009. The revisions to date are, for the most part, refinements of the goals and objectives above tailored more specifically to the priorities of the MLSI. All of these derive from the original USAID SPSS contract based on an RFP designed by USAID in 2006 with consultation from GOAM, MLSI, and other stakeholders. At present, the progress toward larger project goals and objectives is consistent with the RFP, but adjusted to subsequent counterpart interests, and within anticipated timelines, with the most notable exception being the stretched timeline of the project's support for pension reform according to the stretch of GOAM's own timeline. Counterpart interest shows itself in weak staffing or funding commitments. For example, despite continued requests that a grants manager be appointed in MLSI, none has been assigned. The result is lack of accountability for the function that now spreads over program and monitoring staff without clear role definition. A sustainable outsourcing function will not survive without formal staff responsibilities assigned. Much counterpart interest has surfaced for infrastructure support and for general institutional reforms (e.g. formulating wage scales for civil servants) that are beyond the scope of SPSS, and are a source of irritation to counterparts. With serious budget cuts in FY2009 as against the original SPSS budget and design, many counterpart interests in things like study tours and retreats could not be addressed either.

6.B Progress Towards USAID Armenia FY2009 Targets

The SPSS project is an implementing mechanism of the USAID Armenia Mission Operational Plan objective of investing in people with targets for Program Elements related to social policy, social services and social assistance as displayed in the table below.

Indicator Name	FY'07 Result	FY'08 Result	FY'09. Target
3.3.1. (a) Number of Social Protection Policy Reforms Drafted, Adopted or Implemented With USG Support	1	25	12
3.3.1. (b) Number of Nationwide Poverty/Vulnerability Mapping Efforts Being Supported	0	2	2
3.3.2. (a) Number of people benefiting from USG-supported social services	150,620	792,799	1,143,747
3.3.2. (b) Number of USG-assisted organizations and/or service delivery systems strengthened that serve vulnerable populations	5	17	29
3.3.3. (a) Number of people benefiting from USG-supported social assistance programming	547,250	497,954	453,888
3.3.3. (b) Percent of total eligible persons receiving assistance through USG-supported social assistance programming	57%	66.9%	72.3%

The policy reform targets peaked in FY2008 and attention in FY2009 is in cementing implementation as this is the final year of the SPSS Project base period, FY2008 was been an active year with a high level of technical advising in all components. As implementation becomes the focus we expect to see fewer proposed changes but more deepening of the chosen policy options.

Program Element 3.3.1, regarding policy change, registers the ongoing project support to GOAM reforms. SPSS continues its assistance in creating and augmenting the legislative framework in the social protection sphere, working with the MLSI and other partners to support better policymaking, work toward meeting international obligations along with parallel legislative reforms related to all components, with pension policy and implementation, with employment and labor regulation policies, and with social assistance policies. Of this set, pension reforms are driven by the strongest force of political will, and thus require the greatest amount of legal drafting. SPSS assisted substantially in the drafting of the four separate laws comprising the reform that have been submitted to GOAM as of 25 December 2008. SPSS is assisting the MLSI and its agencies to more transparently administer existing programs. 2008 saw expansion of beneficiaries of assistance as targeting and public relations improved, and as SPSS policy recommendations moved into additional spheres such as worker safety.

7. ISSUES AND STRATEGIES

The 2008 recent re-formation of Government continues to affect counterpart relations, especially as the responsibility for pension reform implementation falls to MLSI, despite the fact that it has opposed many aspects of the reform. MLSI now has the responsibility to coordinate the implementation work of other GOAM Ministries and agencies. As SPSS works to support implementation, the issues of weak planning and management skills remain prominent challenges, but many responsible partners are embracing the Microsoft Project management tool SPSS maintains on their behalf and are coming to depend on SPS-generated minutes to track progress on the many essential decisions yet to be made. SPSS regularly informs the PRWIG of decisions required through a series of memos.

8. TABLES AND CHARTS

Table 1: Accumulated Training Numbers Organized by TSG

(January-March, FY2009)

#	Name	Organized by	Place	Date FY 2009	Total Number of Participants	Male	Female
1	Use of SPSS Statistical Model in Pension Policy, Demographics and Social Policy Modeling	SPSS	SPSS office	January 20 (on-going)	3	-	3
2	Model Office	SPSS	SPSS office	March 24	21	9	12
Total for January and March:					24	9	15

Chart 1: Organizational Chart

TSG Armenia Organizational Chart

