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 PERMANENT MISSION OF THE REPUBLIC OF ARMENIA

312/447/08

The Permanent Mission of the Republic of Armenia to the United Nations Office and Other International Organizations at Geneva presents its compliments to the Office of the United Nations High Commissioner for Human Rights and in reference to the Questionnaire prepared by the Independent Expert of the question of human rights and extreme poverty Ms. Magdalena Sepulveda, has the honour to transmit herewith the replies by the Government of the Republic of Armenia to the Questionnaire on Cash Transfer Programmes.

The Permanent Mission of the Republic of Armenia avails itself of this opportunity to renew to the Office of the United Nations High Commissioner for Human Rights the assurances of its highest consideration.

Enclosed: 14 pages.



December, 2008

OHCHR REGISTRY

29 DEC. 2008

OFFICE OF THE UNITED NATIONS
 HIGH COMMISSIONER FOR HUMAN RIGHTS
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Replies to Questionnaire on Cash Transfer Programs

The Legal and Institutional Framework

2. Provide details of the legal framework by which the programme is established and implemented.

In Armenia as a cash transfer programme, which corresponds to the requirements presented by the questionnaire, must be introduced family benefit programme (hereafter referred to as programme):

In Armenia the programme launched from 1 January 1999 on the bases of formerly functioning system (since 1994) of assessing poverty of families.

From 1994 till now in Armenia indirect method of assessing poverty of families is functioning.

The programme implemented according to the decree of the government of the Republic of Armenia (18 November 1998, N727 decree of the government of the RA), and the system of assessing poverty of families was approved by the joint order of the Minister of Labour and Social Issues of the RA and the Minister of Finances of the RA (1998), which is registered in the Ministry of Justice of the RA.

From the implementation till now changes and reforms have been done in programme, the aiming to increase the level of its addressness.

By the 15 April 2002, N 407 decree of the government of the RA, the system of assigning and paying family benefit was completely reviewed. This decree with minor changes functioned till 2005.

Since 1 January 2006 the law of the Republic of Armenia "On the State Benefits" entered in force and after that the system of assigning and paying family benefit was completely reviewed, which was approved by the decree of the government of the RA (12 January 2006, N110-N decision of government of the RA), and the system of assessing poverty of families (29 December 2005, N2317-N decree of the government of the RA).

Every year by the law of the RA "On the State Budget of the Republic of Armenia" some financial resources for family benefit are allocated and the government of the RA establishes terms of setting benefit and deciding its amount.

The system of assessing poverty of families was elaborated and the programme of family benefit was implemented by the Ministry of Labour and Social Issues of the RA with the financial support of international organizations (USAID, World Bank, etc.):

Since the programme implementation the system of assessing poverty of families is being reviewed in our republic according to the comprehensive research data on vital level of household being implemented every year.

3. Describe the institutional framework used to implement programmes. Indicate which governmental authorities, structures and mechanisms, including those at the federal, state/provincial, municipal and local level were involved in the design, implementation and monitoring of the programme(s).

Every year the financial resources for the programme have been approved by the law of the RA "On the State Budget of the Republic of Armenia" (the law is accepted by the National Assembly of the RA) and the programme is approved by the government of the RA.

In the draft project the main responsible authority in elaborating, designing and monitoring of the programme is the Ministry of Labour and Social Issues of the RA. Every year the Ministry presents proposals for the approval of the government of the RA to allocate corresponding financial resources from the state budget of the RA for the reforming of the programme and increasing its addressness.

The programme implementation

Responsible bodies for the programme implementation are state government municipal authorities, marzpetarans, local authorities of marzpetarans providing social services (38 agencies), 12 agencies in Yerevan, municipal authorities of Gyumri, Vanadzor, Ararat and Djermuk, community local authorities providing social services (17 departments).

In spite of the mentioned differences local authorities providing social services have the same functions, competences and authorizations, which are prescribed according to the law of the Republic of Armenia "On the Social Support", which is functioning since January 1, 2006.

The programme monitoring

The process of the programme is being supervised and assessed by the Ministry of Labour and social Issues of the RA in the national and regional levels, as well as in random order family benefit concrete works are periodically checked from the point of view of their compliance with the demands.

Every year National Statistic Service of the RA (functioning independently from the government of the RA) implements comprehensive research of life level of household, which assesses the level of poverty and social status. Particularly this research also assesses the addressness of the program, the reasons of poverty and the factors aggravating it and effectiveness of the system.

4. Were civil society organizations involved in the design, implementation and monitoring of the programme(s)? If, yes, please describe their role.

At the process of the design, as well as at the process of reforming the programme the Ministry always discusses it with civil society organizations, non-trade organizations and every suggestion they had done was discussed. At the process of reforming the programme there were always used the results of sociological researches implemented by other organizations, generally NGOs, which reviewed the level of poverty in the republic, its reasons, etc.

From the point of view implementation and monitoring the civil society participates by means of social support councils. According to the law of the Republic of Armenia "On the Social Support" under 55 local authorities providing social services

there are functioning councils of social support, which due to position involve state authorities having social direction and functioning in the field, as well as representatives of NGOs. By means of that councils decisions connected with the solutions of contradictory cases connected with the implementation of the programme are accepted, NGOs take part in allocation of some financial resources foreseen by the state budget of the RA. Taking into consideration the fact that in the republic the size of shadow economy is large and it reduces the addressness of the programme, it is prescribed by the programme that the families which have no family benefit right, but have short-term financial problems, local authorities providing social services can assign urgent help by the assistance of social support council.

At the same time this is the mechanism by means of which NGOs can execute monitoring of implementation of that programme.

5. Were popular consultations conducted during either the design, implementation and monitoring of the programme(s)? If, yes, please describe their role.

The programme, during its design, is permanently discussed with NGOs, as well as with the international organizations, particularly with World Bank, USAID, DFID, GTZ, UNDP, WFP, etc.

In 2003 a pilot survey was implemented with the World Bank support in Aragatsotn region (marz), implementing comparative survey of functioning and suggesting (testing) formulas, the aim of which was to increase the addressness of the programme.

In 2004 surveys were implemented with the GDZ support in Lori region (marz) and in Kotayk region (marz), which researched accessibility of programme and the quality of providing services.

In 2005 and 2006 two surveys were implemented with the World Bank support: the survey of the budget of household and community survey. The aim of the surveys were to identify the level of addressness of the programme for marking the directions increasing its addressness, as well as to assess communities from the point of view of vulnerability for ensuring development of the programme conformable to territorial distinctions.

In 2008 household budget survey was implemented with USAID support aiming to find the mechanisms by means of which the addressness and administration of the programme will be reformed.

Programme costs and coverage

6. Which geographical areas are covered by the programme in the country (national, regional, local)?

The whole country is covered by the programme. Every family can have resort to include in the programme, but the right of family benefit acquired the family which satisfies several demands prescribed by the decision of the government of the RA.

7. What is the annual budget of the programme(s)? Please give details and indicate sources of funding utilized in design, implementation and monitoring for the programme(s).

8. What are the main costs involved at the various stages of implementations?

The programme is funded only from the state budget of the RA. Financial resources for paying family benefit are envisaged by separate article.

Financial resources are envisaged by separate article:

- a) For acquiring service of paying family benefit,
- b) For serving and exploitation of local and republican bases of family benefit,
- c) For printing necessary forms for assigning and paying family benefit.

The design, implementation and monitoring of the programme are executed by adequate bodies in the framework of their functions and beyond the scope of financial resources (also from the state budget) provided for maintaining the function of the given organization.

By now through other sources of funding, generally with the support of international donor organizations surveys of programme addressness, accessibility and quality of provided services, as well as studies of retraining and development of personnel have been implemented.

The programme is computerized; computers and mathematical programme supply were also accomplished by the financial support of international donor organizations:

Quantitative databases are presented in table.

9. Indicate number of beneficiaries of the programme (annually). If possible provide details on their profile (e.g. sex, age, ethnicity, origin).

The subject of the programme is family (household). Involvement in the programme is voluntary if one of the adult members of the family applies in the place of their factual residence. Payments are implemented every month, the number of beneficiary families are given in table for given year average per month.

Financial resources are provided for given year according to database of the state budget of the RA for the year.

Beneficiary families include from new born babies up to senior pensioners, sex and age are no importance, the population of the republic from the ethnical point of view is homogeneous, there is no special calculation from the ethnical point of view, but it can be assuredly noted that the representatives of national minorities are being included in the programme if they apply and correspond to requirements of the legislation of the RA.

According to the law of the RA "On the State Benefits" those who have right to get family benefit are citizens of the RA, foreigners having corresponding residence status, as well as persons who have status of refugee in the RA.

10. What criteria were utilized in order to determine the eligibility of beneficiaries? 13. What are the criteria used to terminate the support under the programme? Is there any exit strategy in place? Are families that exit the programme able to rejoin it?

In Armenia indirect method of assessing poverty of family is used by means of comprehensive use of different databases of family for formation of poverty grade, the higher that number is the poorer the family is considered. If the grade of poverty is "0", the family can not get any support by the programme.

According to the law of the RA "On the State Benefit" the subject of social support in the "Family Benefit" programme is family the definition of which is in the 8th article of the law: "Family is a small social group of citizens registered and factually living in the same place of residence, the members of which carry out joint economy and have joint budget, as well as the citizen living alone".

The right of family benefit is determined according to the grade of family poverty, which is assigned by 29 December 2005 N2317-N decree of the government of the RA (till 2006 the procedure of assessing the poverty of the family was approved by the order of the Minister of Labour and Social issues of the RA registered in the Ministry of Justice of the RA) confirmed by the procedure of assessing poverty of the family according to which the following indicators for assessing the poverty of family are used:

The social group of each member of the family P average (17 social groups)

The number of incapable members in the family K family (in the programme those who are considered to be incapable are children under 18 years of age, disabled persons and pensioners)

The place of residence K home (two communities of the republic have 1.03 and 1.05 indicator)

The conditions of apartment of the family K apartment (7 different indicators: camper provided because of disaster, homeless (having no permanent or temporary registration and having no permanent place of residence), not permanent (temporary) building, camper, unsaved (3rd, 4th degree) house, not privatized room of dormitory, other conditions (living place not belonging to the family without payment, hotel, sanatoria, hospital, place for travelers, kindergarten, school, basement, garage, etc.), private residence or flat in the tenement-house)

The average monthly income of the family K income

The existence of personal car K car

Proprietary activity K proprietary

The amount of electroenergy utilized by family spent during summer months

K energy

The average monthly payment for long-distance telephone connections

K telephone

Custom payments for export and import of goods K custom

Acquiring real estate K real estate

The opinion of social worker about social-economic conditions of the family

K flat

The grade of family poverty will be changed if one of the 12 mentioned indicators changes:

The change of membership of the family: birth of child, death of a family members, marriage of daughter or son, labour migration, etc.

The change of a social group of the family member: child becomes of the full legal age, one of the members of the family is considered disabled or retired, becomes

unemployed or employed. Depending on the change of a social group of the family member changes the number and indicator of incapable family members is changing.

The change of average monthly entire income of family: the average monthly complete income of family include the salary of family members, pension, unemployment benefit, as well as income getting from cattle breeding and land working. The change one of the mentioned incomes brings to the change of the grade of family poverty. Increasing of the income brings to the reduction of the grade to "0" and reduction of income increases the grade.

The change of the place of residence of the family from the high mountainous habitat: the family removes to another habitat or another family settles in the bordering habitat.

The change of the housing conditions of the family: occupant of camper gets apartment as a property or young family separates from the family and starts to live in dormitory.

The other six indicators concern car ownership by the family, engagement in entrepreneurial activities of one of the family members, the amount of spent electroenergy (average monthly data of three summer months), telephone payments, custom payments, acquiring of real estate and assessing the needs of given family by social worker.

The mentioned data (except the opinion of social worker about the social-economic conditions of the family) is obtained in centralized way by electronic carrier.

The poverty grade of the family is determined by the result of numbers of indicators used in the system.

$$P = P \text{ average} \times K \text{ family} \times K \text{ home} \times K \text{ apartment} \times K \text{ car} \times K \text{ proprietary} \times K \text{ real estate} \times K \text{ telephone} \times K \text{ electroenergy} \times K \text{ income} \times K \text{ custom} \times K \text{ flat}$$

According to the law of the RA "ON the State benefits" the poor family acquiring family benefit is the family the poverty grade of which is higher from the poverty grade set by the government of the RA for the given year.

At the same time the law of the Republic of Armenia "On the State benefit" specifies that the families included in the program in several cases can also get lump-sum financial aid:

in case of a child birth in the family which has right of family benefit.

when the child from the family which has right of family benefit enters to first class of a secondary school.

in case of the death of a person who doesn't work and has no pension right and is from the family which has right of family benefit.

to the family which has no right to family benefit but is registered with the help of the council of social support in case of existing financial problems the urgent aid is assigned for a period of 3 months.

The amount of family benefit is determined by providing basic benefit to which supplement for every under age member of the family is added. And the supplements have different amount due to the poverty grade: three factors, place of residence, bordering or high mountainous (2000 km and more higher from sea level), as well as

families having many children (having four and more children). Quantitative data is presented in table.

During the years of existence of the system the way of assessing the poverty of families has always been changing.

Reforms in the system of family benefit since 2003 have been generally implemented according to the strategic directions specified by PRSP and data of annual household researches of State Statistical Service of the RA.

Particularly, taking into consideration the fact of increasing overriding incomes, pension, salary, etc., by the decree of the government of the RA for 2004, 2005, 2006 the boarding rate giving right of family benefit was reduced from 36.00 to 33.00 and in 2008 to 30.00. This allowed a great number of families to keep the right of family benefit in spite of increasing incomes of the family during the previous year.

If no down-grading of boarding rate was applied the amount of beneficiary families would have been reduced in 2004, 2005, 2006 and it would have brought to the social unrest.

11. Approximately how many potential beneficiaries were not reached by the programme?

For being included in the programme it's an obligatory condition to apply and to register in that programme, but not all registered families that can obtain the right of family benefit. Quantitative data are presented in the table.

12. What is the average amount transferred to each beneficiary? What is the periodicity of the transfers and the calculation utilized in order to determine it?

The family benefit is paid monthly, once in every 12 months families have to present required documents that describe the social-economic situation of their families. In the case of changes during that period family has to declare them and present a corresponding document.

Quantitative data are presented in the table.

Implementation procedures

14. What procedures are utilized in order to pay the beneficiaries?

The payments are made monthly. For this purpose the lists of payments are printed out and are transmitted to the local bodies of social services /in appropriate formulation, on the contract basis/. The local bodies of social services transmit these lists to the post operator /Haypost/. The payments are made on those bases. The payments are made by cash.

15. What should the potential beneficiary do to request the programme's aid?

The steps for obtaining the right of family benefit are the following:

In order to obtain the right to family benefit an adult member of the family who considers his family poor with the agreement of the other adult members of the family can apply in the local body of social services of his place of residence and provide the required documents:

Application-declaration,
Documents of identity of each family member /passport or birth certificate/,
Document proving the social group of each family member,

1. First group of disability. The copy of reference issued by the Social-Medical Expertise Commission and a reference from the body setting the pension.
2. Second group of disability
3. Third group of disability
4. Child with disability
5. Under age child under 5 years /the copy of passport or birth certificate/
6. Under age child from 5 to 18 years old
7. One side orphan. The copy of parent's death certificate or the court decision recognizing parent's death and a certificate from the body setting the pension in case of the pension right
8. Child without parental care. The copy of patents' or the only parent's death certificate or the copy of the court decision recognizing parent's death, reference from the trusteeship body about to be registering the child as without parental care, a certificate from the body setting the pension in case of the pension right
9. Child of a single mother. The copy of birth certificate where there is no registration on the father's data line.
For the children living in the Republic of Armenia but not born in the Republic of Armenia- appropriate references given according to the specified regulations of those countries.
10. Child of a divorced parent. The copy of the parent's divorce certificate or the court decision recognizing the parent's divorce, certificate of the paternity determination etc.
11. Student /under 23 years of age, studying free of charge in state educational institutions/, reference from the state educational institutions proving that he is studying there free of charge.
12. Pregnant woman / with a pregnancy of 20 weeks and more/, reference from the medical institution,
13. Unemployed, reference from the employment center,
14. Pensioner, reference from the body setting the pension,
15. Lonely unemployed pensioner, application-declaration, reference from the place of residence,
16. Old aged pensioner.
17. Family of a deceased, reference from the Ministry of Defense or from National Security Service or from the Police of the Republic of Armenia stating the death or his being missing during the accomplishment of his service responsibilities,
18. Reference about the salary amount.

19. Reference from the local self-governmental authorities about the composition of family, about their land having agricultural importance, about their cattle sort and its quantity.

The application-declaration presented by the client contains some data that must be proved by the required documents and verified during the home visit of social services worker of the local body /hereafter social worker/ as well as from the other centralised data bases.

The client doesn't himself present the reference from the body setting the pension which is required for 8 social groups. The local social services body receives it as a reply to his request.

According to the RA Law "On Social assistance" the client has the right to

- receive information about his social rights, the conditions of their realization, about the ways of the solution of the current social issue.
- Request and receive family benefit in case of the existence of all necessary basis specified by the legislation,
- Receive a written answer /if requested/ in case of the refuse of the family benefit,
- Take part to the procedure of decision making about the family benefit contribution,
- Renounce from the benefit and appeal to the Head of the local body of social services, to the Ministry of Labour and Social Issues of RA or in the court in case violations of his rights,

The client has to

- participate in the solution of his social issues,
- provide necessary and exact data,
- be active in the development of his social abilities,
- not interfere to the home visits of social workers.

The client has to apply to the local body of social services during the 12th month after his application in order to calculate his poverty grade by providing exact data about the income of his family's each member, about the composition of his family, home conditions, about the employment, social status of each member etc.

In case of changes during the next 12 months, the client must inform the local body of social services during the period of 30 days after the changes providing necessary documents.

16. Where there any conditionalities agreed with the beneficiaries of the programme? If yes, please describe the conditions and the methods used to assess their fulfillment.

The client must provide exact documents, and in the case of changes inform about

that during the next 30 days and provide corresponding document. This procedure is obligatory once during 12 months. In case if he doesn't provide documents during the 12th month the payment of the benefit will be ceased and if he does not provide a relevant document or hides data, the payment of the benefit will be stopped and the family will be deprived from the right of family benefit. More paid more are returned to the state budget. These conditionalities are expressed in the application-declaration and the applicant is informed about it in written form.

17. Which public services are offered in connection to the conditionalities agreed? Indicate if special measures were taken in order to absorb the increased demand for services generated by the programme.

The question is unclear.

18. If possible please provide samples of materials developed in order to inform beneficiaries about the programme and other materials used to raise public awareness.

The states bodies use all possible means— television, radio, newsletters, posters, booklets, internet in the purpose of public awareness of the programme.

Monitoring mechanisms and complain procedures

19. Please describe the monitoring procedures utilized in order to oversee the implementation of the programme and the entities responsible for the monitoring.

On the national level the monitoring is implemented by the Ministry of Labour and Social Issues of RA by using official reports and results of different surveys, especially surveys from the State Statistical Service of RA.

20. Were any complaining mechanisms or procedures attached to the programme? If yes, please describe them.

Decisions on the family benefit can be complained in high instance bodies or in the court. The clients can address to the Head of the community, to the Marzpet, to the Minister of Labour and Social Issues of RA, to the Government Administration, to the National Assembly Administration, to the members of National Assembly, to the President Administration, or to the courts in case of need. All applications are replied during 15, maximum 30 days.

21. Was any legal action taken against the programme or those responsible for its implementation? If yes which were the circumstances of the legal action and the basis for the complaint(s)?

Yes, there were. During the last years the reasons of the complains were different.

Especially the family poverty grade was complained, but it must be noticed that the claims were mostly refused.

Existing studies and evaluations of cash transfer programmes

22. Please provide any studies in particular needs assessments, used in order to develop the programme(s)

23. Please provide any studies in particular impact assessments, developed to assess the implementation of the programme(s).

As it has been noticed the programme is assessed based on the surveys made by the National Statistical Service. These surveys are available on the web site www.armstate.am, under the topic "The social situation and poverty of Armenia".

Table 1. Family benefit programme in the Republic of Armenia, 2002-2007.

	2002	2003	2004	2005	2006	2007
Registered families (% from the number of families in RA)	38.61	28.37	26.96	25.42	23.81	22.14
Beneficiary families (% from the number of registered families)	54.86	67.84	63.88	64.81	72.25	72.29
Beneficiary families	149603	141218	134224	127167	130190	12489
Families having child (% from the number of beneficiary families)	60.75	63.5	65.56	69.29	72.20	75.90
Resources from the RA state budget(billion AMD)	12.25	12.75	16.0	20.0	24.0	26.407
average amount of the benefit (AMD)	6700	7200	9000	12300	15000	17500
For the payment service (million AMD)	1.47	1.53	1.92	2.40	2.88	3.17
For the exploitation and service of the benefit information bases (million AMD)	29.2	29.2	29.2	29.2	29.2	31.01
For the publication of benefit forms (million AMD)	11.47	11.47	11.47	11.47	11.47	17.54

The average number of families in the Republic of Armenia is 770 000.

The currency rate of AMD per years is available on the Central Bank site: www.cba.am

Table 2. The changes made in the family benefit system

			2003	2004	2005	2006	2007	2008
Bordering grade			36.00	35.00	34.00	33.00	33.00	30.00
Benefit basic part			4000	4500	6000	7000	7000	8000
Benefit basic part for families without under age children						7500		
Supplement for every member under 18 years of age	Differentiation							
	Poverty grade	Other conditions						
	36.01 and more	Till July	1500					
		From July	2000					
	35.01-38.00			2500				
	38.01 and more			3000				
	34.01-38.00				3000			
		High mountainous, Bordering regions			3500			
	38.01-41.00				3500			
		High mountainous, Bordering regions			4000			
	41.01 and more				4000			
		High mountainous, Bordering regions			4500			
	33.01-37.00 Year 2008					4000	4500	5000
		Families with 4 and more under				5000	5500	6000

000

	30.01-35.00	age children						
		High mountainous, Bordering regions				4500	5000	5500
		High mountainous, Bordering regions Families with many children				5500	6000	6500
	37.01-40.00 Year 2008 35.01-39.00					4500	5000	5500
		Families with many children				5500	6000	6500
		High mountainous, Bordering regions				5000	5500	6000
		High mountainous, Bordering regions Families with many children				6000	6500	7000
	Year 2008 40.01 and more					5000	5500	6000
		Families with many children				6000	6500	7000
		High mountainous, Bordering regions				5500	6000	6500
	39.01 and more	High mountainous, Bordering regions Families with many children				6500	7000	7500
Urgent allowance			4000	4500	6000	7000	7500	8000
Lump sum assistance, including								
Child birth					35000	35000	35000	35000
For 3 rd and for each following child							200000	300000

000

birth						
For schoolchild entering first year of primary school			20000	20000	20000	20000
In case of death of a family member			25000	25000	25000	50000