PART III:

ARMENIA – NON-MATERIAL POVERTY

Chapter 7: Health and Poverty

A healthy population is not only crucial for a country's socioeconomic development, but also an important precondition for the well-being of households and individuals.

Armenia has performed well in sustaining certain healthcare outcomes, with relatively low levels of public expenditures against a number of other countries in the Europe and Central Asia (ECA) region. The share of healthcare expenditure in the consolidated budget of 2017 was 5.4% (Table 2.4).

In 2017, life expectancy at birth was 71.9 years for men – an indicator higher than in many other ECA countries – and 78.7 years for women. Both indicators exceeded their 1997 and 2007 levels at, respectively, 68.2 and 74.7 years (1997), 69.8 and 76.1 years (2007).

According to the civil status records of the Ministry of Justice, which serve as a source for statistical data on mortality, there has been a declining trend in infant mortality among the age group below 1 year. In 2017, as many as 311 cases of under-one infant deaths were reported, and infant mortality rate (per 1.000 live births) was 8.2 per mille, against 15.4 per mille in 1997 and 10.9 per mille in 2007.

Under-five mortality rate (per 1.000 live births) was 9.6 per mille in 2017, against 19.5 per mille in 1997 and 12.3 per mille in 2007.

Maternal mortality rate (per 100.000 live births) was 8.0 per mille in 2017, against 39.0 per mille in 1997 and 15.0 per mille in 2007.

Box 7.1

Information on Measures Taken by the Ministry of Health in 2017
for Poverty Reduction and/or Mitigation (Including Drafting and Adoption of Legal Acts, Development Concepts and Strategies)

1. LEGAL ACTS

In 2017, the Ministry of Health developed 137 legal acts, 86 of which were adopted and entered into force. Within 86 adopted legal acts, 78 were Government Decrees and 6 were Laws of the Republic of Armenia.

2. PUBLIC HEALTH AND MEDICAL CARE POLICY

"2017-2020 Anti-Smoking Strategy and Action Plan of the Strategy" was approved by the Government Protocol Decree No. 33 of August 3, 2017. The goal of the strategy is to implement measures aimed at reducing tobacco use and consumption, maintain public health by protecting people from the secondary impact of tobacco smoke, and mitigate the incidence of non-communicable diseases by reducing cigarette use.

Government Protocol Decree No. 33 of August 3, 2017 also approved the "2017-2019 Development Program for the Laboratory System".

According to Government Protocol Decree No. 47 of November 9, 2017 "On Amending the Protocol Decree Approved by Clause 4 of the Minutes of Meeting No. 10 of the Government Session of March 17, 2016", vaccination against human papilloma viral infection for the prevention of uterine neck cancer was introduced into the National Vaccination Schedule. Vaccination of 13-year-old girls against human papilloma virus infection started in the country's medical care and service institutions since from December 11, 2017. At the same time, preventive vaccinations were implemented within the framework of the National Immunization Prevention Program in 2017.

In 2017, preventive vaccination coverage was 91.2% among 1-year-old children, 93.4% among 2-year-old children, and 96.5% among 6-year-old children. Due to the high vaccination coverage rate, Armenia maintained its poliomyelitis-free status, there were no cases of domestic communication of measles and rubella, and favorable epidemic situation was maintained for controllable infectious diseases.

8 rulebooks, 26 clinical guidelines and 26 standard operational procedures were approved in 2017 by the orders of the Minister of Health and posted on the official website of the Ministry of Health to build awareness among the health care providers and the public.

3. MATERNAL AND CHILD HEALTHCARE

Government Decree No. 180-N "On Approving the Procedure and Conditions for Intervened Termination of Pregnancy" was developed and approved on February 23, 2017 to deal with the problem of intervened abortions for gender reasons.

Government Decree No. 1395-N of October 27, 2017 established the procedure and timeframes for determining (including sampling) of DNA (deoxyribonucleic acid) to regulate legal relations regarding verification of the genetic link between a child born to a surrogate mother and the biological parent.

Since January 1, 2017, the program "Screening of Critical Congenital Cardiac Defects" project has been introduced in all maternity hospitals in Armenia. During 2017, screening revealed around 50 newborns suspected of having congenital cardiac defects, who were later subjected to appropriate professional research.

Triennial rate of maternal mortality decreased from 19.8 in 2014-2016 to 16.4 in 2017-2017per 100,000 live births.

Government Protocol Decree No. 30 of July 13, 2017 approved the "2017-2021 Strategic Program for the Protection of the Children's Rights in the Republic of Armenia" and its implementation action plan, comprising a section on children's healthcare.

Within the process of transition to a single e-government system for civil status acts, orders of the Minister of Health were issued to approve the standard forms for certificates on birth, perinatal death and death, as well as the rules for the completion (preparation) and issuance of certificates. These were disseminated to all medical care and service institutions, those providing diagnostic and anatomic examination, as well as forensic medical examination services in Armenia.

Training was conducted for the relevant specialists of medical institutions and Civil Registry Offices in Yerevan and all regions on the procedure of completion (preparation) and issuance of medical certificates on birth, perinatal death and death within the single e-government system.

The Order of the Minister of Health No. 49-N of November 6, 2017 "On Making an Amendment to the Order of the Minister of Health No. 70-N of November 1, 2013" was registered at the Ministry of Justice, establishing the procedure for organizing preventive medical examinations (twice a year) of students at sports schools in the regions of Armenia.

Scientific and practical training of 40 doctors from medical institutions of the regions and Yerevan was organized in Saint Petersburg and Moscow, Russia, on the topics "Intensive Medical Care of Newborns and Children" and "Urgent Medical Care for Infectious Diseases".

In 2017, infant (0-1 years) and child (up to 5 years) mortality rates decreased. Thus, according to the preliminary data published by the Statistical Committee, over the period January-December 2017 the absolute number of deaths among children aged 0-1 years decreased (from 352 cases in 2016 to 307 cases in 2017), and the infant (0-1 years) mortality rate per 1000 live births was 8.1 per mille in 2017, against 8.6 per mille in 2016. The absolute number of deaths among children aged 0-5 years also decreased by 50 down to 358 cases in 2017, against 408 cases in 2016, and child (up to 5 years) mortality rate per 1000 live births was 9 per mille in 2017, against 10.1 per mille in 2016.

Description and Basic Indicators of Healthcare System

In 2017, in-patient treatment services were provided to the population by 125 hospitals. Primary health care (PHC) services were provided by 501 healthcare facilities and 625 therapeutic obstetrical stations (TOS). Healthcare facilities and potential are mainly concentrated in major towns of the country (primarily in Yerevan, which has 72.8% of physicians, 40.8% of in-patient facilities and 64.3% of hospital beds.

Aggregate Indicators of Healthcare System, 2013-2017

		2013	2014	2015	2016	2017
Number of physicians of all specialties (person)	Total	12 664	12 896	13 117	13 148	12 964
	Per 10.000 population	42.0	42.8	43.7	44.0	43.6
Population headcount, per physician (person)		238.6	233.7	228.6	227.1	229.3
Number of paramedical personnel (person)	Total	18 426	18 053	17 632	17 464	16 796
	Per 10.000 population	61.1	60.0	58.8	58.5	56.5
Number of hospital facilities (unit)		129	130	132	129	125
Number of hospital beds (unit)	Total	12 268	12 514	12 532	12 493	12 457
	Per 10.000 population	40.7	41.6	41.8	41.8	41.9
Number of hospitalized patients (person)	Total	373 069	406 552	393 540	399 734	397 633
	Per 10.000 population	12.3	13.5	13.1	13.4	13.4
Average annual bed occupancy rate (day)		236	246	240	240	241
Average duration of in-patient treatment (average number of bed-days per patient) (day)		7.8	7.5	7.6	7.6	7.6
Number of PHC facilities (excluding TOS, private therapeutic and dental rooms)	Number (unit)	514	509	504	505	501
	Per 10.000 population	1.7	1.7	1.7	1.7	1.7
	Capacity (number of visits within one shift)	39 089	39 861	39 451	39 503	39 538
	Per 10.000 population	129.3	132.3	131.3	132.0	132.7
	Number of visits, thousand	11 656.1	11 676.5	12 002.8	12 174.1	11 865.4
	Per person	3.9	3.9	4.0	4.1	4.0
Number of prenatal clinics, pediatric polyclinics, facilities with pediatric departments, family doctor rooms (unit)		380	378	447	453	443
Number of beds for pregnant and parturient women (unit)	Total	1 269	1 293	1 295	1 265	1 253
	Per10.000 women of fertile age	15.9	16.4	16.7	16.5	16.6
Number of beds for child patients (unit)	Total	1 184	1 523	1 532	1 515	1 444
	Per 10.000 children	20.6	26.1	26.0	25.5	24.1
Emergency aid	Number of emergency aid stations (unit)	108	104	101	74	75
	Number of emergency aid calls (unit)	469 833	480 136	489 911	501 764	465111
	Number of physicians (per 100.000 population, person)	7.5	7.0	5.0	5.0	4.2

Per Unit Indicators of Heath Care System, by Regions and in Yerevan, 2017

	Number of hospitalized patients (per 100 population)	Number of hospital beds (per 10.000 population)	Average duration of in-patient treatment (day)	Average annual bed occupancy (day)	Number of PHC facilities (per 10.000 population)	Number of visits PHC facilities (excluding TOS) (per person)
Yerevan	26.3	74.3	7.4	263	1.3	4.8
Aragatsotn	4.0	12.6	5.1	136	1.8	2.9
Ararat	5.0	16.4	8.3	240	2.3	3.6
Armavir	4.8	13.4	5.4	193	2.3	3.4
Gegharkunik	5.0	32.7	18.0	277	1.7	3.1
Lori	8.1	22.1	6.2	225	1.9	4.1
Kotayk	5.6	26.6	8.3	176	1.9	3.4
Shirak	8.3	35.9	7.2	168	1.3	3.7
Syunik	7.7	31.0	8.3	206	1.2	3.7
Vayotz Dzor	3.5	17.1	5.3	108	1.6	3.9
Tavush	6.2	20.8	4.5	135	2.2	3.1
Total	13.3	41.9	7.6	241	1.7	4.0

Number of Physicians and Paramedical Personnel, by Regions and in Yerevan, 2017

(person)

	Number of physicians		Number of paramedical personnel	
	Total	Per 10.000 population	Total	Per 10.000 population
Yerevan	9 444	87.6	8 586	79.7
Aragatsotn	227	17.9	572	45.0
Ararat	436	16.9	941	36.5
Armavir	392	14.8	910	34.4
Gegharkunik	316	13.8	885	38.5
Lori	508	23.4	1 093	50.3
Kotayk	502	20.0	986	39.2
Shirak	534	22.7	1 316	55.9
Syunik	264	19.1	743	53.7
Vayotz Dzor	105	21.2	231	46.6
Tavush	236	19.1	533	43.2
Total	**12 964**	**43.6**	**16 796**	**56.5**

Primary health care (PHC) services were provided by 501 healthcare facilities and 625 therapeutic obstetrical stations (TOS).

Types of PHC Facilities, by Regions and in Yerevan, 2017

(Unit)

	Total	Including									TOS
		Independent				Dispensaries	Dental clinics		Divisions within hospital system	Other	
		For adults	For children	Health centers	Rural ambulatories		For adults	For children			
Yerevan	145	22	2	44	-	5	23	5	34	10	-
Aragatsotn	23	-	-	1	15	-	1	-	6	-	92
Ararat	60	-	-	1	50	-	3	-	6	-	43
Armavir	61	1	-	1	52	-	4	-	3	-	39
Gegharkunik	40	2	-	-	30	-	2	-	6	-	54
Lori	41	4	-	5	18	1	7	1	5	-	94
Kotayk	47	2	-	5	30	1	3	-	6	-	29
Shirak	32	7	-	-	12	3	1	1	8	-	97
Syunik	17	-	-	-	10	1	1	-	5	-	103
Vayotz Dzor	8	-	-	-	5	-	-	-	3	-	35
Tavush	27	1	-	1	18	-	-	-	7	-	39
Total	**501**	**39**	**2**	**58**	**240**	**11**	**45**	**7**	**89**	**10**	**625**

Activity of hospitals: In 2017, some 397 633 patients were admitted for in-patient treatment, which comprised 133.8 persons per 1.000 population. Among the admitted patients, 19.2% were children aged 0-14 years. Average bed occupancy rate was 241 bed-days, and average duration of in-patient treatment was 7.6 bed-days.

138 572 surgical operations were implemented, of which 10.1% for children aged 0-17 years, including 86.0% for children aged 0-14 years. The share of endoscopic surgeries comprised 8.4%. The number of operated patients was 131 140, of which 11 772 (9.0%) were children aged 0-14 years, and 1 919 (1.5%) were children aged 15-17 years. 516 persons deceased due to surgery, of which 9.9% were children aged 0-14 years. During 2017, some 391 168 persons (98.4%) were discharged from hospitals, and 5 259 persons (1.3 %) deceased.

Types of Hospitals, by Regions and in Yerevan, 2017

	Independent hospitals	Merged hospitals	Health centers	Maternity hospitals without prenatal clinic	Maternity hospitals with prenatal clinic	Dispensaries with in-patient facilities	Total
Yerevan	19	24	-	2	2	4	51
Aragatsotn	-	3	3	-	-	-	6
Ararat	-	4	1	1	-	-	6
Armavir	1	3	-	-	-	-	4
Gegharkunik	1	4	1	1	-	-	7
Lori	1	5	-	-	-	1	7
Kotayk	4	4	1	-	1	1	11
Shirak	6	4	3	1	-	2	16
Syunik	1	5	-	-	-	1	7
Vayotz Dzor	-	2	1	-	-	-	3
Tavush	-	4	3	-	-	-	7
Total	**33**	**62**	**13**	**5**	**3**	**9**	**125**

Operations Implemented in Hospitals, by Type of Operation, 2017

	Number of operations (unit)	Of which, persons 0-17 years old		Number of operations by endoscopic method (unit)	Number of the deceased due to operation (person)	Of which, persons 0-17 years old	
		Total	Of which, persons 0-14 years old			Total	Of which, persons 0-14 years old
Nervous system	1 424	291	281	52	56	8	8
Endocrine system	1 426	5	4	2	-	-	-
Optical organs	9 743	365	346	-	-	-	-
Ear, nose, and throat	12 737	965	520	56	-	-	-
Respiratory organs	7 910	5 139	4 835	299	34	6	6
Cardiac	6 883	147	141	2 449	64	17	17
Vessels	6 465	17	11	1 377	22	-	-
Abdominal cavity organs	20 853	2 512	2064	3 197	221	9	9
Kidneys and ureters	4 453	349	332	766	12	-	-
Prostate	1 754	3	3	858	7	-	-
Female genital organs	9 957	77	52	1 939	3	-	-
Obstetrical	30 031	41	1	147	1	-	-
Musculoskeletal system	11 678	2 637	2 267	343	60	-	-
Breast	1 822	11	9	-	1	-	-
Skin and hypodermic	4 151	801	669	-	5	-	-
Other	7 285	605	477	159	30	12	11
Total	**138 572**	**13 965**	**12 012**	**11 644**	**516**	**52**	**51**

	2013	2014	2015	2016	2017
Number of emergency aid stations (unit)	108	104	101	74	75
Number of emergency aid calls (unit)	469 833	480 136	489 911	501 764	465 111
Number of physicians (per 100.000 population, person)	7.5	7.0	5.0	5.0	4.2
Number of teams (unit) — General profile	403	221	207	160	155
Number of teams (unit) — Specialized	28	19	19	19	19
Number of teams (unit) — First-aid	69	39	37	35	34
Number of patients served by emergency calls (person) — Total	476 585	486 110	495 959	507 519	471 156
Number of patients served by emergency calls (person) — Per 1.000 population	157.7	161.3	165.1	169.6	158.1

7.1. Affordability of Healthcare Services

According to ILCS 2017, subjective assessment of health status shows that 89.2% of population describe their health as satisfactory, good and very good, while 10.8% describe it as bad or very bad. With regard to poverty profile of subjective assessment of health status, 10.0% of the non-poor, 8.8% of the poor and 12.6% of the extremely poor population reported about bad health status. 12.3% of the respondents had sickness during the month preceding the survey.

In 2017, as much as 34.4% of those, who reported sickness, consulted a primary healthcare facility for advice or treatment, including residents of other urban (33.5%) and rural (35.7%) communities, as well as residents of Yerevan (34.3%). In comparison with the previous year, patients had less often applied for medical advice or treatment, while this trend was slightly on rise among residents of Yerevan (the relevant indicators in 2016 were, respectively, 40.9%, 42.7% and 31.2%).

In case of sickness, people visited primary healthcare facilities for advice or treatment on average 1.47 times per month; at that, the non-poor did it 1.48 times, the poor (excluding the extremely poor) – 1.43 times, and the extremely poor – 1.36 times per month. The distribution of population by the type of medical specialists visited for any reason as of the last interview within the survey month is presented below (data is calculated relative to all responses provided).

Table 7.1: Armenia – Visits to Primary Healthcare Facilities, by Type of Medical Specialists and by Poverty Status, 2017 (as of the Last Interview within the Survey Month)

(percent)

Types of medical specialists	Non-poor	Poor (excluding extremely poor)	Extremely poor	Total
Family doctor	28.2	30.8	38.5	28.8
Pediatrician	8.4	12.0	5.4	9.0
Obstetrician/ gynecologist	2.3	2.7	0.0	2.3
Therapist	26.1	28.3	35.3	26.7
Sub-specialty consultant	26.0	18.6	17.4	24.6
Dentist	2.3	2.9	0.0	2.4
Private physician	2.0	0.0	0.0	1.6
Diagnostic center	1.4	0.0	0.0	1.1
Emergency aid	2.0	3.7	3.4	2.3
Other	1.3	1.0	0.0	1.2
Total	100	100	100	100

Source: *ILCS 2017*

In case of sickness, 26.7% of patients applied for consultation to a therapist, 28.8% – to a family doctor, 26.4% – to a sub-specialty consultant, and only 1.6% consulted a private physician.

Table 7.2: Armenia – Visits to Primary Healthcare Facilities, by Type of Medical Specialists and by Urban/Rural Communities, 2017 (as of the Last Interview within the Survey Month)

(percent)

Types of medical specialists	Yerevan	Other urban	Rural	Total
Family doctor	8.5	36.8	44.5	28.8
Pediatrician	12.1	7.3	7.0	9.0
Obstetrician/ gynecologist	3.2	1.7	1.9	2.3
Therapist	30.1	26.0	23.4	26.7
Sub-specialty consultant	33.7	20.9	17.5	24.6
Dentist	2.7	2.4	1.8	2.4
Private doctor	3.2	1.3	0.1	1.6
Diagnostic center	1.9	1.3	0.1	1.1
Emergency aid	3.5	1.4	1.9	2.3
Other	1.1	0.9	1.8	1.2
Total	**100**	**100**	**100**	**100**

Source: *ILCS 2017*

Patients visited most often sub-specialty consultants in Yerevan, and family doctors in other urban and rural communities.

Table 7.3: Armenia – Payments for Primary Healthcare Services, by Type of Medical Specialists, 2017 (as of the Last Interview within the Survey Month)

(percent)

Types of medical specialists	Total payments	Including		
		Payment personnel by price-list	Gifts or services	Consultancy-related payments (X ray, laboratory examination)
Family doctor	100	25.2	3.8	71.0
Pediatrician	100	86.6	9.7	3.7
Obstetrician/ gynecologist	100	42.0	0.7	57.3
Therapist	100	39.5	4.2	56.3
Sub-specialty consultant	100	46.9	2.5	50.6
Dentist	100	97.0	0.0	3.0
Private physician	100	75.4	3.3	21.3
Diagnostic center	100	36.7	0.0	63.3
Emergency aid	100	64.2	0.0	35.8
Other	100	31.1	0.0	68.9
Total	**100**	**63.5**	**1.6**	**34.9**

Source: *ILCS 2017*

As of the last interview within the survey month, patients having applied for assistance to the specialists of policlinic facilities on average incurred expenses comprising 63.5% of payments to personnel by price-list, only 1.6% of gifts, and 34.9% of X-ray or laboratory examination payments.

The amount of payments differed by poverty status. On average, payments made in polyclinics by non-poor patients were 3.4 times higher, than those made by poor patients.

Payments made to personnel by non-poor patients for consultancy (X ray, laboratory examination) were 4.4 times higher than those made by poor patients.

Some 43.0% of patients who contacted polyclinics had hypertension. As of the last interview, 34.2% of patients underwent electrocardiography and 29.9% were checked for the level of cholesterol.

The main reasons for not applying to primary healthcare facilities were self-treatment (51.4%) and lack of finance (20.1%). The table below shows the proportion of population not applying for medical consultation or treatment, by reasons and by urban/rural communities.

Table 7.4: Main Reasons for Not Applying to Primary Healthcare Facilities, by Urban/ Rural Communities, 2017 (as of the Last Interview within the Survey Month)

(percent)

	Total	Yerevan	Other urban	Rural
Total, *including:*	100	100	100	100
Self-treatment	51.4	52.2	54.4	46.8
Lack of finance	20.1	17.1	18.7	25.5
Remoteness	0.5	0.7	0.4	0.5
Problem was not serious	11.2	8.8	13.4	11.7
Help was not required	7.7	9.9	4.7	8.4
Relative or friend was a physician	4.5	6.0	3.9	3.2
Other	4.6	5.3	4.5	3.9

Source: *ILCS 2017*

When looking across urban/ rural communities, self-treatment as a reason for not applying for medical consultation or treatment was reported by 52.2% of surveyed population in Yerevan, 54.4% in other urban communities, and 46.8% in rural communities; lack of finance was reported by 25.5% in rural communities, 18.7% in other urban communities and 17.1 % in Yerevan. Lack of finance was reported as the second major reason in all types of communities.

Over the 12 months preceding the 2017 survey, population visited hospitals 2.4 times on average. At that, 46.4% of patients spent at least one night in hospital, and average stay in hospital per patient equaled 7.7 days. Treatment duration in hospitals was the following: 65.1% – less than 1 week, 24.1% – from 1 to 2 weeks, and 9.8% – more than 2 weeks.

Table 7.5: Armenia – Patient Payments for Hospital Medical Assistance Services, by Method of Payment*, 2017 (as of the Last Interview within the Survey Month)

(percent)

	Total	Including			
		Payment to hospital cashier	Out-of-pocket payment to personnel (physician, nurse, etc.)	Gift (food, etc.) or service rendered to personnel	Other payments, including for laboratory and X-ray examination or medicaments
Surgeon	100	89.5	4.2	0.6	5.7
Resuscitation specialist	100	68.2	6.0	0.8	25.0
Therapist	100	61.1	7.1	1.6	30.2
Cardiologist	100	84.5	3.8	0.4	11.3
Obstetrician/ gynecologist	100	69.9	14.4	4.0	11.7
Urologist	100	84.4	3.3	0.8	11.5
Gastroenterologist	100	63.2	8.6	0.1	28.1
Oncologist	100	67.7	5.6	1.0	25.7
Endocrinologist	100	65.0	6.1	2.0	26.9
Neurologist	100	65.5	7.7	1.6	25.2

	Total	Including			
		Payment to hospital cashier	Out-of-pocket payment to personnel (physician, nurse, etc.)	Gift (food, etc.) or service rendered to personnel	Other payments, including for laboratory and X-ray examination or medicaments
Other	100	78.2	6.9	0.2	14.7
Total	**100**	**81.2**	**5.5**	**0.9**	**12.4**

Source: *ILCS 2017*

Note: *Within the number of patients who made any payment*

As shown in the table above, out of the amount paid by each patient on average 81.2% went to the hospital cashier, 5.5% was paid directly to the medical personnel, the cost of gifts constituted 0.9%, that of other payments (for laboratory and X-ray examination, or medicaments) comprised 12.4%. Surgeons, cardiologists and urologists received the largest share within payments made to the cashier. As to payments made directly to the medical personnel, obstetrician/ gynecologists and gastroenterologists had the largest share. With regard to payments made for laboratory and X-ray examination or medicaments, the largest share went to therapists, gastroenterologists, endocrinologists and oncologists.

According to ILCS 2017, health expenses comprised 5.6% of household consumption expenditures or an average monthly per capita amount at AMD 2 409 (Table A6.1 of Annex 3), totaling 6.2% or AMD 3 329 in case of non-poor households, 0.3% or AMD 67 in case of poor (excluding the extremely poor) households and 0.1% or AMD 5 in case of extremely poor households.

According to ILCS 2017, health expenses comprised 16.1% of household total expenditures on services (Table A6.1 of Annex 3).

In Armenia, the importance of the health benefit package for poor households is indisputable. Hence, given that eligibility for such package would depend on eligibility to family benefit, it is crucial not only to improve its targeting, but also to increase enrollment of poor and extremely poor population into it.

Only 3.1% of population was eligible for the basic benefit package. The breakdown by poverty status shows that the package was available for 18.4% of the extremely poor, 9.3% of the poor (excluding the extremely poor), and 12.7% of the non-poor population.

Then, only 15.8% of households receiving family benefit was eligible for the basic benefit package, including 23.5% of the extremely poor, 15.3% of the poor (excluding the extremely poor), and 15.5% of the non-poor population.

Among households not registered in the family benefit system, 11.3% were eligible for the basic benefit package, including 14.2% of the extremely poor, 7.3% of the poor (excluding the extremely poor), and 12.4% of the non-poor population. At that, 1.8% of households were not aware about their eligibility for the basic benefit package; i.e. there was unawareness issue.

Graph 7.1 depicts the share of healthcare expenditures in total consumption by quintile groups. The share of these expenditures relative to the total consumption aggregate was higher in the richest quintile group than that in the poorest quintile group (15.1% versus 3.4%). As clearly demonstrated in Table A3.9 of Annex 2, expenditures on healthcare services in the poorest quintile were 5.1 times lower than

the average expenditures on those services, whereas for the richest quintile this indicator was 3.4 times higher than the average.

Graph 7.1 – Armenia: Share of Spending on Healthcare Services in Total Consumption Aggregate, by Quintile Groups, 2017

(percent)
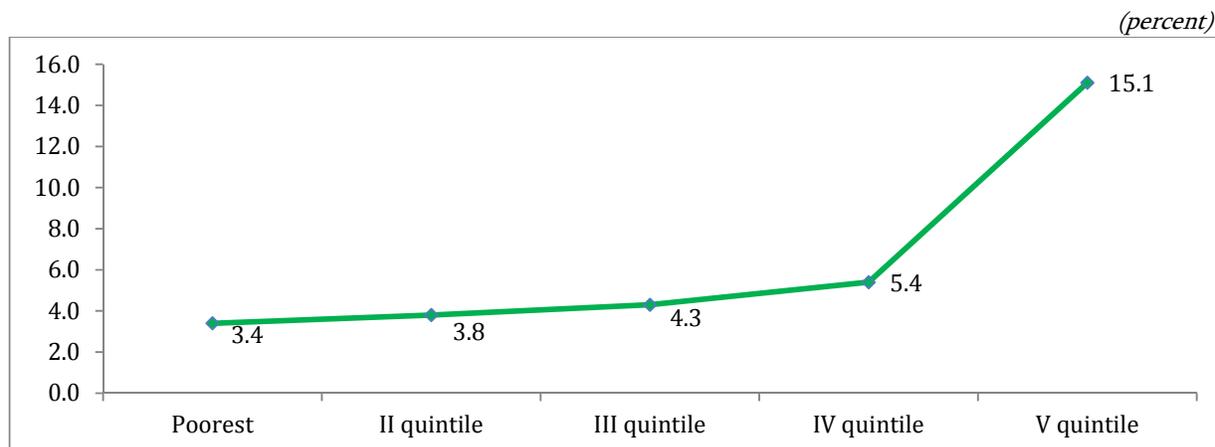
Source: *ILCS 2017*

The distance to the nearest healthcare facility is another important indicator. ILCS 2017 provided relevant data on rural communities only. According to available data, 75.1% of rural households reported that the nearest healthcare facility was within 1 km from their residence. However, 1.1% of households reported that the distance to the nearest healthcare facility was more than 10 km away from their residence. Table 7.6 presents relevant data by quintile groups. There were differences in accessibility of healthcare facilities in rural areas across quintiles. The share of households reporting that the nearest healthcare facility was more than 10 km away from their residence was 1.8% in the third quintile.

Table 7.6 – Armenia: Accessibility of Healthcare Facilities in Rural Communities, by Consumption Quintiles, 2017

(percent)

Distance	Quintiles					Total
	I	II	III	IV	V	
0-1 km	78.6	78.3	77.6	71.6	70.2	75.1
1-3 km	18.6	15.8	17.9	22.5	25.1	20.1
4-5 km	0.9	1.0	1.0	1.0	1.6	1.1
6-10 km	1.3	3.7	1.7	3.6	2.6	2.6
>10 km	0.6	1.2	1.8	1.3	0.5	1.1

Source: *ILCS 2017*

The share of spending on medicaments constituted 4.4% of total expenditures of surveyed households. Monthly expenditures per household member on medicaments averaged AMD 1 935, varying by poverty status from AMD 2 312 for the non-poor, AMD 874 for the poor, and AMD 373 for the extremely poor population. Monthly per capita expenditures on medicaments of non-poor households were 2.6 times higher than those of the poor and 6.2 times higher than those of the extremely poor households.

While in urban communities pharmacy network is quite developed, there appear to be accessibility problems in rural communities. According to ILCS 2017, as much as 36.1% of rural households reported that the nearest pharmacy was within 1 km from their residence and 26.8% reported that the distance to the nearest pharmacy was more than 10 km away from their residence. Table 7.7 presents relevant data by quintile groups. Pharmacy accessibility for the richest fifth quintile was different than that for the poorest quintile, at 24.5% and 26.5%, respectively. The share of households, which reported that the nearest pharmacy to be more than 10 km away from their village, ranged between 25% and 31% for all consumption quintiles.

**Table 7.7 – Armenia: Access to Pharmacies in Rural Communities,
by Consumption Quintiles, 2017**

(percent)

Distance	Quintiles					Total
	I	II	III	IV	V	
0-1 km	35.2	39.4	36.9	35.1	34.3	36.1
1-3 km	11.9	10.2	12.2	13.9	16.5	13.0
4-5 km	6.1	5.3	5.7	5.0	6.5	5.7
6-10 km	20.3	17.8	14.7	20.8	18.2	18.4
>10 km	26.5	27.3	30.5	25.2	24.5	26.8

Source: *ILCS 2017*

Some 36.7% of households having children under the age of 5 years took them to polyclinics for regular examination or post-natal consultancy during the month preceding the survey. The reasons for not visiting polyclinics were distributed as follows (relative to responses): services were not needed – 89.4%, poor quality of medical services – 1.0%, healthcare facility was too far away – 0.9%, services were too expensive – 0.6%, there is not healthcare facility-0.5%, healthcare facility was closed down – 0.1% and other reasons – 7.5%. Some 38.5% of households having visited polyclinics reported that their child was immunized, 94.2% said that the weight of the child was measured, 93.8% told that the height of the child was measured, 90.7% received consultancy on the child's growth and development, and 27.7% reported that blood examination was carried out.

Chapter 8: Education and Poverty

Education can help people to overcome poverty. It opens doors to employment and loans. Education provides knowledge and skills, which are necessary for increasing income and enhancing employment opportunities. When education is widely available and affordable for the poor, women, and vulnerable groups of population, it also has the potential for broader redistribution of economic growth. On the other hand, poverty forces parents to take their children out of school and send them to work, as they cannot afford educating the children.

Almost entire population of Armenia is literate. According to the results of Census 2011, only 0.3% of the population is illiterate. Access to general education is universal for both boys and girls, but not equally. In academic year 2017/2018, gender equality indicator (the ratio of gross enrollment of boys to that of girls) was 1.03; at that, it was 1.00 at elementary, 1.01 at basic, and 1.17 at high school.

In contrast to basic education, enrollment in upper secondary and in tertiary education is relatively low, with rather visible differences between the poor and the non-poor. High costs of tertiary education and specifically its affordability, relatively low perceived returns on education were cited as the main reasons explaining why teens from poor households drop out the educational system after completing basic education and, particularly, after graduating from general secondary school.

The share of spending on education in consolidated budget expenditures decreased in 2017 compared to 2008 (from 13.7% to 10.8%). In the sectorial composition of expenditures, the main emphasis was placed on secondary education.

Box 8.1

Educational Sector Performance in 2017

The top priority in educational sector is to enhance the quality of education so as to ensure effective functioning of the system and to provide equal access of people to education commensurate with their aspirations and abilities.

In 2017, within the framework of the reforms in **general education** the draft revisions to the Law on Pre-School Education was developed and presented for public consideration, and the school funding formula was amended.

Under the new credit program "Improved Education", 23 preschool education facilities were established in Aragatsotn, Syunik, Ararat and Gegharkunik regions in 2017, of which 18 in rural communities and 5 in urban communities, with a total enrollment of 1200 children.

6523 pupils received food within the "National Program for Sustainable Education" in preschool education, 1-4 grades and inclusive education programs of 75 general education schools in Tavush region.

In 2017, the system of universal inclusive education was introduced in Lori and Tavush regions.

Publication and free distribution of textbooks for elementary grades of public schools was funded from the state budget. All pupils, who were beneficiaries of social assistance, in 1-12th grades of 49 schools in 39 communities were provided free textbooks.

Approximately 7000 teachers were attested in 2017; around 700 teachers were awarded a first category

qualification, and around 20 teachers – a second category qualification. 13 schools were reorganized within the framework of optimization of general education schools.

During 2017, republican Olympiads of schoolchildren were held on 16 general education subjects involving around 1490 pupils, and Armenia participated in international Olympiads on "Mathematics", "Physics", "Chemistry", "Information Technologies", "Astronomy" and "Biology", winning a total of 13 medals, including 5 silver and 8 bronze medals.

A website, http://schoolsite.am/, was created containing individual pages with links to the relevant websites of educational institutions.

Since September, 2017 as many as 13 pilot programs were launched in schools on the subjects "Mathematics", "Algebra", "Me and the Surrounding World" and "Social Science" with the introduction of financial education elements. 46 teachers from 13 schools were trained for the program involving around 1600 learners.

An experimental program was launched in September, 2017 at one 2nd grade and one 3rd grade in each of 1247 schools to teach the subject "Technology" with the introduction of entrepreneurial elements. 1356 teachers from 1247 schools were trained for the program involving around 62900 learners.

Another experimental program was launched in September 2017 at one 10th grade in each of 227 schools to teach the subject "Entrepreneurship". 227 teachers from 227 schools were trained for the program involving around 6300 learners.

In collaboration with the United Nations Children's Fund (UNICEF) in Armenia, the program "Social Inclusion of Vulnerable Children: Expanding the Range of Alternative Care, Family Support and Inclusive Education Services within the Framework of Childcare System Reform" was implemented to establish and apply pilot models of community-based alternative less costly half-day preschool education services in a number of communities.

Together with the British Council, English clubs were set up at one school in each of five regions of Armenia, and in Yerevan.

<div align="center">

Extracurricular Education

</div>

The concept of military-patriotic education of learners was developed and presented to the Government on November 21, 2017.

Joint work with the Prime Minister's Supervisory Service was undertaken to study the curriculum of general education and youth sports programs in the country, as well as the degree of saturation of sports schools with the necessary equipment. Consequently, a proposal was made to the Government's Staff on initiating annual programs for repairing and equipping gymnasiums in order to improve relevant conditions in general education institutions, thus essentially improving the teaching of the subject "Physical Culture".

A working group was set up by the joint order of the Minister of Education and Science and the Minister of Sport and Youth Affairs to revise the standards and programs for the subject "Physical Culture". The working group elaborated draft standards and programs for the subject "Physical Culture" for educational institutions implementing basic general education programs, which were approved, further to the instruction of the Prime Minister, by the joint order of the Ministry of Education and Science and the Ministry of Sport and Youth Affairs.

A draft Government Decree was developed to improve the efficiency of use of gymnasiums in general education institutions. The draft is at the stage of approval (submitted to the consideration of stakeholder agencies).

In accordance with Article 16 (2) of the Law on Military Service, the Government prepared and submitted for approval a number of decrees to provide pupils of general education institutions a deferment from compulsory military service (until completion of the study).

According to the Law on Arms, provision of dummy submachine guns and bullets to general education institutions continued in collaboration with the Police (around 130 general education institutions were equipped with rooms for safekeeping of firearms, and were provided with dummy submachine guns, mines, grenade launchers, grenades and ammunition.

Supplements and amendments were drafted to the procedure approved by the Government Decree No. 532 of August 25, 1999 "On Approval of the Procedure for Pre-Conscription Training in General Education Schools, Primary Vocational (Technical) and Secondary Vocational Education Institutions of the Republic of Armenia".

The normative legal framework of the extracurricular sector was improved; particularly, the model curricula of the 2017-2018 academic year for musical, arts, fine arts and dancing schools were approved by the order of the Minister of Education and Science No. 792-N of July 18, 2017.

In 2017, the Ministry of Education and Science jointly with the National Aesthetics Center initiated and implemented the 7th Pan-Armenian Painting Contest-Festival dedicated to national holidays. Within the first phase of the festival, about 1320 works from 145 institutions in 15 countries, including Armenia, Artsakh and the Diaspora countries (USA, Argentina, Egypt, Turkey, Lebanon, Russia, Uzbekistan, Iran, Jordan, Ukraine, Georgia, Kuwait, and France) were presented (around 170 were selected for the exhibition).

Primary and Secondary Vocational Education

In order to regulate the process of organization and implementation of compulsory 12-year secondary education in educational institutions implementing primary (vocational) and secondary vocational education programs, a draft amendment was developed to the Government Decree No. 1330-N of November 28, 2013 and approved by the Government Decree No. 749-N of June 29, 2017.

National education (qualification) standards for 12 agricultural and agriculture-related VET programs, including the module on entrepreneurship, were developed and approved by the relevant orders of the Minister of Education and Science.

The draft Government Decree "On Approving 2017/2018 Academic Year Admission Limits for Free Studies (Scholarship-Based Full Compensation of Tuition) at State Educational Institutions of the Republic of Armenia Implementing Primary Vocational (Technical) and Secondary Vocational Educational Programs" was developed and approved by the Government Decree No. 728 of June 23, 2017.

Under the EU Fiscal Assistance Program "Better Qualifications for Better Jobs" signed between the Government of Armenia and the European Union in 2016 with the aim of raising the productivity of labor market in Armenia and increasing the employability of VET graduates through modernization of vocational education and training, 12 and 17 state educational standards in, respectively, agricultural and agriculture-related professions were drafted and revised; and the "Social Partnership" concept was revised and amended.

According to Annex 1 of the ENA/2015/038-246 Financing Agreement "Better Qualifications for Better Jobs"

signed between the Republic of Armenia and the European Union, the measure under Precondition 1, "Development and Review of State Educational (Qualification) Standards and Relevant Curricula for 76 Agricultural and Agriculture-Related VET Programs with the Mandatory Inclusion of the Entrepreneurship Module", was implemented up to 40 percent in 2017. Training of specialists for development of the standards was implemented, as well.

In 2017, the second phase of the 2016-2017 grant competition for the "Vocational Education and Employment for Youth with Disabilities" funded by the EU and implemented by Save the Children was launched to establish a social enterprise and to provide continuous vocational education, practice and sustainable employment for young people with disabilities. Within the framework of the project, 5 VET institutions were provided with small grants, due to which innovative social enterprises were established to provide continuous vocational education and practice for young people with disabilities.

A pilot program for the training of VET specialists under a Master's program in several universities is underway.

A Memorandum of Understanding was signed between the Ministry of Education and Science and the Austrian Development Agency within the framework of the "Organic Agriculture Assistance Initiative" on introduction of the training module "Principles of Organic Farming". Within the framework of the memorandum, the training module "Principles of Organic Farming", as well as the trainer manual on the module curriculum were developed. According to the expert opinion of the "National Institute of Education", upon appropriate editorial the "Principles of Organic Farming" training module can be integrated into the teaching process of agricultural professions.

WorldSkills Eurasia Partnership was launched under the WorldSkills International project. Within the framework of the project, in August 2017 the representatives of four states – Armenia, Russia, Belarus and Kazakhstan – signed in Astana the declaration on the creation of the WorldSkills Eurasia.

Together with the German International Cooperation Agency (GIZ), since September 1, 2017 a dual educational system has been introduced at four VET educational institutions for a number of professions ("Software Engineering for Computers and Automation Systems" at Shirak Regional State College, "Technology of Fermentation and Winemaking" at Vayotz Dzor Regional State College, "Organization of Tourism Services" at Yerevan State Humanitarian College, "Tourism" and "Vehicle Technical Maintenance and Repair" at Tavush Regional State College.

In order to put bilateral relations on a practical basis, a memorandum of understanding was signed on February 27, 2017 between the Ministry of Education and Science and the non-governmental organization "Strategic Development Agency".

The educational foundation "Anushavan Abrahamyan" has been furthering the program for comprehensive and sustainable development of primary vocational (technical) and secondary vocational education institutions in Armenia. With the funding and support of the foundation, "Armat" engineering laboratories were established at 9 VET educational institutions in Armenia; and winemaking mini-factories were established at regional state colleges of Vayotz Dzor and Ararat regions. In the near future it is planned to establish welding, auto-electronics and diagnostics, jewelry workshops at selected VET educational institutions. Vayotz Dzor Regional State College was provided a minibus to arrange the transfer of pupils.

<div align="center">**Higher and Postgraduate Professional Education**</div>

The Government Decree No. 1326-N of October 19, 2017 "On Making Supplements to the Government Decree No. 1191-N of October 23, 2014" was adopted in order to add "Judicial Expertise", "Industrial Engineering" and "Mechatronics" into the list of professions and qualifications of higher professional education in Armenia.

The list of professions and admission exams of the 2018/2019 academic year for full-time enrollment under a Bachelor's program and the Continuous and Integrated Education Program in universities was approved.

For students enrolled in compulsory military service, who were unable to achieve the threshold Grade Point Average (GPA) set by the university, it was proposed to set another minimum threshold GPA for compensation of tuition fees.

16 state and 1 non-state universities underwent institutional accreditation, 4 non-state universities underwent contractual institutional accreditation by the foundation "National Center for Professional Education Quality Assurance".

Under the Capacity Building Activity of the Erasmus + Project, 16 projects were implemented in 2017, of which 5 were coordinated by Armenian universities.

Under the 2015-2017 Partnership and Cooperation Framework for the countries of the European Union and the Council of Europe Eastern Partnership, the project "Strengthening Integrity and Fighting Corruption in the Armenian Higher Education System" together with the Ministry of Education and Science was implemented.

According to the rules for the provision of student benefits and state scholarships in higher education institutions of Armenia, the state continues provision of 50-100% compensation of tuition fees for students from socially vulnerable families.

Box 8.2

<div align="center">*Preschool Education Facilities*</div>

In 2017, there were 868 community, public and non-public preschool education facilities (PSEF) operating in the country, including 666 kindergartens, 67 nursery-kindergartens and 135 school-kindergartens. Within the total number of PSEFs, 808 operated under community, 10 under public and 50 under non-public administration. Gross PSEF enrollment (children of the age group 0-5 years) was 30.9%, including 36.6% in urban communities and 20.6% in rural communities. The average number of children per group was 26, and the actual occupancy rate was 87.2%. The average attendance rate per PSEF was 88, and the average child/pedagogue ratio was 12. The area of PSEF buildings totaled 744.9 thousand square meters. The area of buildings attached (adjacent) to PSEFs totaled 618.7 thousand square meters.

<div align="center">**Indicators of PSEF Activities, by Regions and in Yerevan, 2017**</div>

| | Number of PSEFs (unit) | Including, by work regime | | Number of groups (unit) | | Number of seats (unit) | Number of children (person) | |
		5-day	6-day	Total	Of which, groups for children 3 years and above		Total	Of which, girls
Yerevan	220	203	17	1165	1052	35199	32826	16110
Aragatsotn	30	30	-	87	81	2060	2058	1049
Ararat	80	80	-	225	210	8180	6496	3141
Armavir	98	98	-	248	230	7540	6054	2836
Gegharkunik	39	39	-	104	99	3620	3096	1512

Lori	94	94	-	191	182	5612	5144	2515
Kotayk	53	53	-	242	224	8435	6367	3012
Shirak	101	101	-	239	218	6354	5200	2493
Syunik	59	59	-	186	155	4615	4419	2132
Vayotz Dzor	31	31	-	57	56	1672	1289	604
Tavush	63	63	-	146	130	4359	3463	1713
Total	**868**	**851**	**17**	**2890**	**2637**	**87646**	**76412**	**37117**

Preschool Education Enrollment, by Age and Gender, by Regions and in Yerevan, 2017

(person)

	Under 1.5 years		1.5-3 years		3 - 5 years		6 years		7 years	
	Total	Of which, girls	Total	Of which, girls	Total	Of which, girls	Total	Of which, girls	Total	Of which, girls
Yerevan	157	68	2793	1353	20357	10023	9505	4658	14	8
Aragatsotn	-	-	161	92	1028	477	697	395	172	85
Ararat	-	-	356	161	3840	2013	2225	916	75	51
Armavir	-	-	327	162	3578	1689	2101	963	48	22
Gegharkunik	-	-	123	67	1744	843	1171	569	58	33
Lori	-	-	205	117	3003	1438	1936	960	-	-
Kotayk	-	-	394	157	3927	1883	2046	972	-	-
Shirak	-	-	391	172	2548	1183	2192	1107	69	31
Syunik	1	-	632	328	2609	1269	1166	527	11	8
Vayotz Dzor	-	-	13	5	824	380	443	215	9	4
Tavush	-	-	280	141	2029	1004	1148	565	6	3
Total	**158**	**68**	**5675**	**2755**	**45487**	**22202**	**24630**	**11847**	**462**	**245**

Preschool Education Enrollment, by Gender and Age Group (0-5 Years), 2013-2017

(person)

		2013	2014	2015	2016	2017
Girls	Total	28.3	29.9	30.3	30.4	32.0
	Within 0-2 year old children	6.5	6.6	6.4	5.8	4.9
	Within 3-5 year old children	49.7	52.9	54.2	55.2	58.5
Boys	Total	26.4	27.7	27.2	27.6	30.0
	Within 0-2 year old children	6.1	5.8	5.4	5.2	4.7
	Within 3-5 year old children	46.3	49.2	48.9	50.0	54.5
Total		**27.3**	**28.7**	**28.6**	**28.9**	**30.9**
Within 0-2 year old children		**6.3**	**6.2**	**5.8**	**5.5**	**4.8**
Within 3-5 year old children		**47.9**	**50.9**	**51.4**	**52.4**	**56.4**

General Education Institutions

Key Indicators of General Education, 2017/2018 Academic Year

Number of schools (unit)	Number of pupils (Person)		Gross enrollment rate (percent) [1]				Number of awarded graduation certificates in 2017 (Person)		Number of teachers (Person)
	Total	I grade	Total	Including, by education level			Basic education	Secondary education	
				Elem.	Basic	High[2]			
1421	368722	39187	85.7	91.3	90.1	65.5	29362	18749	38270

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[1] Gross enrollment rate is the percentage share of the total number of pupils in all grades of the educational system to the total number of resident population of the officially determined age group in that educational system.
[2] Enrollment in high school was low because only 15.9% of population of the relevant age group upon graduation from the basic school continued studies at preliminary vocational (technical) and secondary vocational education institutions.

Quantitative distribution of general education institutions

1421 institutions implementing general education programs (hereinafter referred to as schools) operated in 2017/2018 academic year.

Number of General Education Schools, by Regions and in Yerevan,
2017/2018 Academic Year

(unit)

| | Total | Including: | | Urban communities | | | Rural communities | | |
| | | Public | Non-public | Total | Including: | | Total | Including: | |
					Public	Non-public		Public	Non-public
Yerevan	258	219	39	258	219	39	-	-	-
Aragatsotn	122	122	-	13	13	-	109	109	-
Ararat	112	112	-	21	21	-	91	91	-
Armavir	122	120	2	28	26	2	94	94	-
Gegharkunik	126	126	-	27	27	-	99	99	-
Lori	163	163	-	59	59	-	104	104	-
Kotayk	103	103	-	39	39	-	64	64	-
Shirak	167	162	5	53	49	4	114	113	1
Syunik	118	118	-	33	33	-	85	85	-
Vayotz Dzor	48	48	-	8	8	-	40	40	-
Tavush	82	81	1	19	18	1	63	63	-
Total	**1421**	**1374**	**47**	**558**	**512**	**46**	**863**	**862**	**1**

Pupil numbers and distribution

In 2017/2018 academic year, the total capacity (number of available seats) in general education schools was 671103, the number of pupils was 368722, of which 47.3% were girls. Gross enrollment rate in schools was 85.7%, including 91.3% in elementary, 90.1% in basic and 65.5% in high school. Net enrollment rate was 89.4% in elementary and 88.9% in basic school. "Adjusted net enrollment" rate was 89.5% in elementary and 89.2% in basic school. Gender equality indicator was 1.03; at that, it was 1.00 in elementary, 1.01 in basic and 1.17 in high school[1].

Number of Pupils in General Education Schools, by Regions and in Yerevan,
2017/2018 Academic Year

(person)

| | Public Schools | | | Non-public Schools | | | Total | | |
	Girls	Boys	Total	Girls	Boys	Total	Girls	Boys	Total
Yerevan	54405	59451	113856	3353	4046	7399	57758	63497	121255
Aragatsotn	7770	9337	17107	-	-	-	7770	9337	17107
Ararat	15794	17512	33306	-	-	-	15794	17512	33306
Armavir	15619	18150	33769	286	250	536	15905	18400	34305
Gegharkunik	13076	15442	28518	-	-	-	13076	15442	28518
Lori	14296	15274	29570	-	-	-	14296	15274	29570
Kotayk	17018	18356	35374	-	-	-	17018	18356	35374

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[1] The gender equality indicator is the coefficient of the ratio of gross enrollment of boys to the gross enrollment of girls in the given educational system.

Shirak	14049	15922	29971	126	217	343	14175	16139	30314
Syunik	7958	8490	16448	-	-	-	7958	8490	16448
Vayotz Dzor	2953	3321	6274	-	-	-	2953	3321	6274
Tavush	7744	8384	16128	63	60	123	7807	8444	16251
Total	**170682**	**189639**	**360321**	**3828**	**4573**	**8401**	**174510**	**194212**	**368722**

Pupil Drop-Outs by Reasons, by Regions and in Yerevan, as of the Beginning of 2017/2018 Academic Year

(person)

	Total	Including, by reason:							
		Poor social-economic conditions	Parents do not send (do now allow to go) to school	Disability			Multiple disabilities	Transferred to penitentiary institution	Deceased
				Auditory disorder	Musculos keletal system disorders	Mental retardation			
Yerevan	46	42	3	-	-	-	-	-	1
Aragatsotn	63	52	2	1	-	2	5	-	1
Ararat	16	7	5	-	-	-	1	-	3
Armavir	45	32	11	-	-	1	1	-	-
Gegharkunik	31	7	20	-	1	-	2	-	1
Lori	19	11	5	-	-	-	-	-	3
Kotayk	8	5	1	-	-	1	-	-	1
Shirak	32	19	9	-	-	-	-	4	-
Syunik	8	2	6	-	-	-	-	-	-
Vayotz Dzor	1	-	1	-	-	-	-	-	-
Tavush	5	2	3	-	-	-	-	-	-
Total	**274**	**179**	**66**	**1**	**1**	**4**	**9**	**4**	**10**

Gross Enrollment in General Education Schools, by Gender, 2013-2017

(percent)

	Total	Girls	Boys
2013	87.9	90.5	85.7
2014	87.8	89.9	85.9
2015	86.4	88.3	84.6
2016	86.0	87.5	84.7
2017	85.7	87.0	84.6

Gender Equality Ratio in General Education Schools (Ratio of Gross Enrollment of Boys to that of Girls), by Level of General Education Program, 2013-2017

	Elementary school	Basic school	High school	Total
2013	1.01	1.02	1.22	1.06
2014	1.01	1.01	1.22	1.05
2015	1.00	1.01	1.20	1.04
2016	1.00	1.01	1.21	1.03
2017	1.00	1.01	1.17	1.03

Preliminary Vocational (Technical) Education

In 2017/2018 academic year, there were 44 public educational institutions implementing preliminary vocational (technical) education programs, of which 25 provided preliminary vocational (technical) and 19 provided secondary vocational education. Students were trained on basic and secondary education curricula.

The number of students totaled 6500, of which 29.4% were females. 97.6% of students were enrolled on tuition-free basis and 2.4% on tuition-paying basis. The gross enrollment rate was 8.6% (5.4% for females and 11.4% for males). Gender equality indicator (the ratio of gross enrollment of males to that of females) was 0.48.

Number of Students Admitted to Educational Institutions on Tuition-Free and Tuition-Paying Basis, by Regions and in Yerevan, 2017/2018 Academic Year

(person)

	Number of admitted students		Including:			
	Total	Of which, females	Tuition-free basis		Tuition-paying basis	
			Total	Of which, females	Total	Of which, females
Yerevan	1055	350	952	316	103	34
Aragatsotn	137	64	137	64	-	-
Ararat	169	89	167	88	2	1
Armavir	45	32	45	32	-	-
Gegharkunik	263	61	263	61	-	-
Lori	244	64	244	64	-	-
Kotayk	335	119	334	119	1	-
Shirak	683	283	637	251	46	32
Syunik	220	79	220	79	-	-
Vayotz Dzor	34	12	34	12	-	-
Tavush	113	45	113	45	-	-
Total	**3298**	**1198**	**3146**	**1131**	**152**	**67**

Number of Students in Educational Institutions in Free and Paid Systems, by Provinces and in Yerevan, 2017/2018 Academic Year

	Number of institutions (unit)		Number of students (persons)		Including			
	Preliminary vocational (technical)	Secondary vocational	Total	Of which, women	Free education system		Paid system	
					Total	Of which, women	Total	Of which, women
Yerevan	7	3	2 282	672	2 181	638	101	34
Aragatsotn	2	-	229	95	229	95	-	-
Ararat	-	1	315	102	313	101	2	1
Armavir	1	-	148	102	147	101	1	1
Gegharkunik	1	3	515	85	515	85	-	-
Lori	2	2	505	110	502	110	3	-
Kotayk	5	2	682	183	681	183	1	-
Shirak	5	1	1 060	362	1 014	330	46	32
Syunik	1	4	454	118	452	118	2	-
Vayotz Dzor	-	1	73	21	73	21	-	-
Tavush	1	2	237	63	237	63	-	-
Total	**25**	**19**	**6 500**	**1 913**	**6 344**	**1 845**	**156**	**68**

Number of Students Graduated from Educational Institutions on Tuition-Free and Tuition-Paying Basis, by Regions and in Yerevan, 2017

	Number of graduates		Including:			
	Total	Of which, females	Tuition-free basis		Tuition-paying basis	
			Total	Of which, females	Total	Of which, females
Yerevan	892	284	885	284	7	-
Aragatsotn	106	55	106	55	-	-
Ararat	147	69	147	69	-	-
Armavir	30	20	30	20	-	-
Gegharkunik	220	65	220	65	-	-
Lori	179	58	176	58	3	-
Kotayk	284	101	283	101	1	-
Shirak	480	224	480	224	-	-
Syunik	175	65	175	65	-	-
Vayotz Dzor	38	20	38	20	-	-
Tavush	120	45	120	45	-	-
Total	**2671**	**1006**	**2660**	**1006**	**11**	**-**

Secondary Vocational Education

In 2017/2018 academic year, 8554 students (of which, females 54.3%) were admitted to 93 public and non-public secondary vocational education institutions (SVEI), the number of students was 23063 (of which, females 53.9%), and the number of graduates was 7164 (of which, females 56.3%). Students were trained on basic and secondary education curricula. The gross enrollment rate was 11.5% (13.1% for females and 10.0% for males). Gender equality indicator (the ratio of gross enrollment of males to that of females) was 1.31.

Enrollment Dynamics in Secondary Vocational Education Institutions, by Regions and in Yerevan, 2017/2018 Academic Year

	Number of SVEI (unit)	Admitted (Person)		Number of students (Person)		Graduated in 2017 (Person)	
		Total	Of which, females	Total	Of which, females	Total	Of which, females
Yerevan	34	4484	2502	12118	6780	3813	2205
Aragatsotn	1	96	58	216	107	81	57
Ararat	4	433	244	1198	615	360	191
Armavir	5	481	241	1257	629	304	180
Gegharkunik	8	463	243	1196	667	388	229
Lori	10	696	371	1812	1025	564	351
Kotayk	6	463	236	1306	601	377	127
Shirak	11	662	367	1975	1042	529	303
Syunik	7	419	222	1093	560	435	243
Vayotz Dzor	1	62	31	164	91	62	35
Tavush	6	295	129	728	324	251	115
Total	**93**	**8554**	**4644**	**23063**	**12441**	**7164**	**4036**

First level educational programs

In 2017/2018 academic year, 61 public and non-public higher education institutions (HEI) and 12 branches provided professional education at the first level of higher education under Bachelor's programs. 15538 students (of which, females 49.4%) were admitted to these institutions, the number of students was 78747 (of which, females 52.6%), and the number of graduates was 17787 (of which, females 61.3%). The gross enrollment rate was 56.4% (61.8% for females and 51.5% for males). Gender equality indicator (the ratio of gross enrollment of males to that of females) was 1.20.

First Level Enrollment Dynamics in Higher Education Institutions, by Regions and in Yerevan, 2017/2018 Academic Year

	Number of HEIs (unit)	Number of branches (unit)	Admitted (Person)		Number of students (Person)		Graduated in 2017 (Person)	
			Total	Of which, females	Total	Of which, females	Total	Of which, females
Yerevan	49	-	13074	6320	66594	34461	14779	9001
Armavir	2	-	21	2	126	6	22	3
Gegharkunik	2	-	225	95	1222	600	357	217
Lori	2	2	675	396	3464	2167	801	536
Kotayk	1	-	21	9	216	127	50	33
Shirak	3	5	801	495	3576	2222	947	617
Syunik	2	2	360	145	1718	843	362	193
Vayotz Dzor	-	1	24	19	214	133	51	39
Tavush	-	2	337	194	1617	882	418	269
Total	**61**	**12**	**15538**	**7675**	**78747**	**41441**	**17787**	**10908**

Second level educational programs

In 2017/2018 academic year, 33 public and non-public higher education institutions and 9 branches, as well as 4 academic institutions provided professional education at the second level of higher education under Master's programs. 6192 students (of which, females 69.3%) were admitted to these institutions, the number of students was 11793 (of which, females 66.9%), and the number of graduates was 4613 (of which, females 57.5%). The gross enrollment rate was 14.8% (19.6% for females and 9.9% for males). Gender equality indicator (the ratio of gross enrollment of males to that of females) was 1.98.

Second Level Enrollment Dynamics in Higher Education and Scientific Institutions, by Regions and in Yerevan, 2017/2018 Academic Year

	Number of HEIs (unit)	Number of branches (unit)	Number of scientific institutions (unit)	Admitted (Person)		Number of students (Person)		Graduated in 2017 (Person)	
				Total	Of which, females	Total	Total	Of which, females	Total
Yerevan	28	-	3	5494	3765	10505	6973	4276	2430
Gegharkunik	1	-	-	21	-	48	-	10	-
Lori	1	-	-	78	53	154	95	29	9
Shirak	2	2	-	121	98	224	159	49	24
Syunik	1	5	1	371	285	643	487	145	118
Vayotz Dzor	-	1	-	94	84	178	148	76	57
Tavush	-	1	-	13	8	41	24	28	13
Total	**33**	**9**	**4**	**6192**	**4293**	**11793**	**7886**	**4613**	**2651**

8.1. Enrollment in Educational System

Gross enrollment rates in general education schools in the 2017/2018 academic year, by educational programs, are presented in Graph 8.1[1].

Graph 8.1 – Armenia: Enrollment in General Education Schools, by Educational Programs, 2017/2018 Academic Year

(percent)
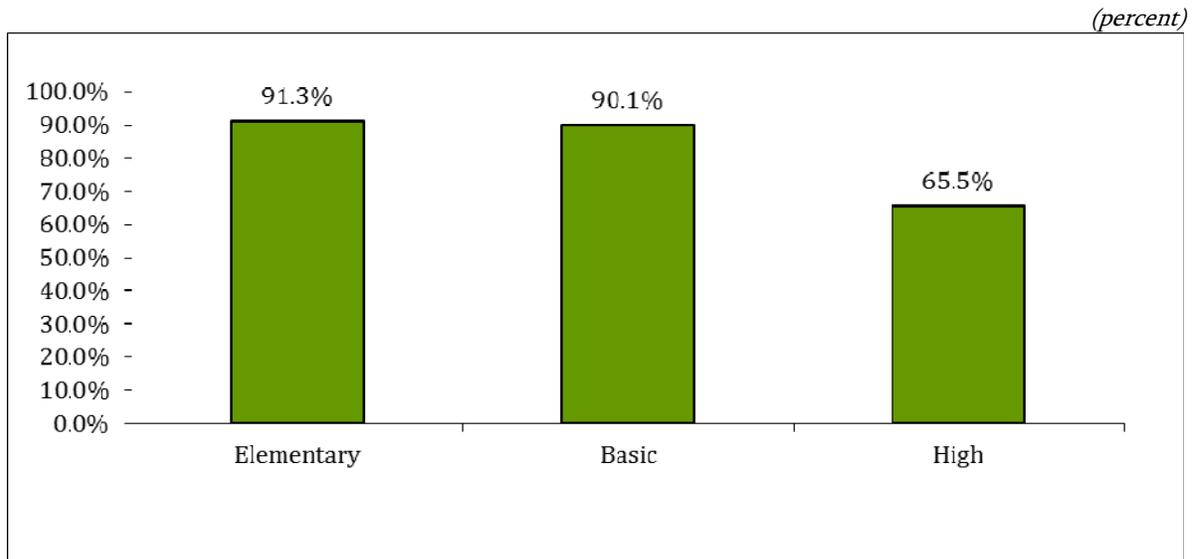
Source: *RA SC 2017*

According to administrative statistical data, in 2017 enrollment in preschool education facilities (children of age group 0-5 years) totaled 30.9%, including 36.6% in urban communities and 20.6% in rural communities; and enrollment in the age group 3-5 years totaled 56.4%.

According to ILCS data, gross enrollment in preschool facilities (the age group 0-6 years) was 27% and varied depending on poverty status. Particularly, enrollment among non-poor households was 29%, among poor households (excluding the extremely poor) – 22%, and among extremely poor households – 23%. Gross enrollment in preschool facilities (the age group 0-6 years) varied by quintile groups of the consumption aggregate. Thus, it was 23% in the first quintile, 21% in the second quintile, 29% in the third quintile, 33% in the fourth quintile, and 35% in the fifth quintile.

Household Spending on Education

According to ILCS data, spending on education in 2017 comprised 4.0% of total household expenditures on non-food products and services (Table A6.1; Graph 8.2).

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[1] Enrollment rates in the education system are estimated on basis of data received from administrative registers and may differ from those obtained through the ILCS.

Graph 8.2 – Armenia: Share of Spending on Education within Total Household Expenditures on Non-Food Products and Services, 2017

(percent)
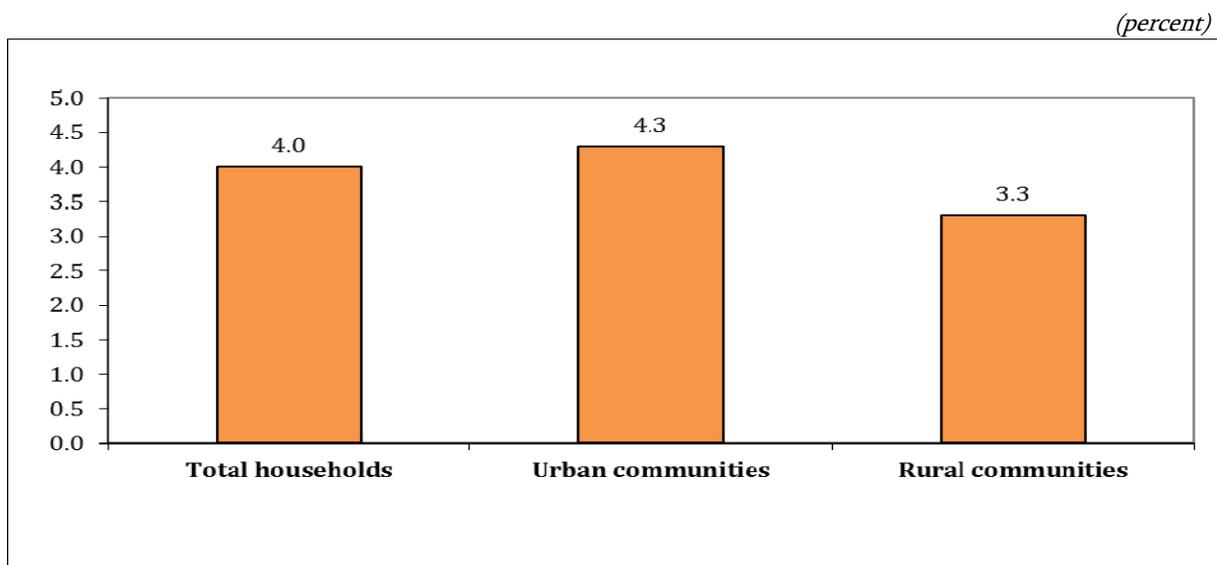
Source: *ILCS 2017*

In 2017, according to ILCS data, more than seven out of ten (72.8%) children in the age group 0-6 years did not attend a preschool facility. As indicated by respondents, the reasons for non-attendance were as follows: the child had a non-working mother – 53.2%, there was no kindergarten – 8.8%, the services were too expensive – 4.2%, or preschool facility closed down – 1.9% (Table 8.1).

Table 8.1 – Armenia: Reasons for Non-Enrollment in Preschool Education, 2017

(percent)

	Quintile					Total
	I	II	III	IV	V	
Too expensive	9.3	3.2	1.5	2.3	1.6	4.2
Poor feeding	0.5	0.6	-	0.3	1.3	0.5
Working hours not suitable	0.2	-	-	0.4	0.5	0.2
Risk of infectious diseases	0.4	0.9	3.0	2.4	0.3	1.4
Preschool facility closed down	1.9	2.6	1.6	0.3	3.4	1.9
Low quality of services	1.3	2.9	0.9	1.4	2.0	1.7
Non-working mother	54.6	60.2	50.3	55.5	38.4	53.2
No kindergarten	9.7	8.3	10.2	8.1	6.8	8.8
Child already at school	0.9	-	0.8	-	0.4	0.5
Other	21.2	21.3	31.7	29.3	45.3	27.6
Total	100	100	100	100	100	100

Source: *ILCS 2017*

There was a difference between the poorest and the richest quintile groups. 9.3% of respondents in the poorest quintile reported that preschool education was too expensive, while this reason was reported by 1.6% of respondents in the richest quintile (Table 8.1).

The distance to the closest preschool facility from the household is considered as one of the key indicators of accessibility. According to ILCS 2017 data, 57.3% of rural residents reported that the preschool facility was up to 1 km away (58.3% and 54.3% of the poorest and the richest quintiles, respectively). Meanwhile, 7.7% of all households, including 4.8% of the richest and 9.8% of the poorest quintiles, responded that the nearest preschool facility was more than 10 km away. Table 8.2 presents these findings by quintile groups.

Table 8.2 – Armenia: Accessibility of Preschool Education Facilities in Rural Communities, 2017

(percent)

Rural communities	Quintile					Total
	I	II	III	IV	V	
Distance to closest preschool facility						
0-1 km	58.3	61.5	54.9	56.7	54.3	57.3
1-3 km	17.8	20.2	21.2	27.3	26.0	22.4
4-5 km	3.9	1.3	2.7	1.4	2.4	2.3
6-10 km	10.2	8.2	12.2	9.2	12.5	10.3
>10 km	9.8	8.8	9.0	5.4	4.8	7.7
Total	**100**	**100**	**100**	**100**	**100**	**100**
Transportation means used for reaching preschool facility						
Car	10.3	17.5	23.1	20.1	25.9	19.0
Bus	19.6	12.4	14.1	9.2	8.7	12.9
Taxi	1.1	1.0	0.7	0.3	0.7	0.8
Train	-	-	0.3	-	-	0.1
Carriage	-	-	-	0.1	-	0.0
On foot	69.0	69.1	69.8	70.3	64.7	67.2
Total	**100**	**100**	**100**	**100**	**100**	**100**

Source: *ILCS 2017*

Elementary School (1-4 grades)

According to ILCS data, in 2017 gross enrollment in elementary education was 98% and did not significantly vary by poverty status. Gross enrollment in elementary education was 97% for non-poor households, 99% for poor households (excluding extremely poor households), and 102%[*] for extremely poor households. It was 100% in the poorest quintile, 99% in the third quintile, 94% in the fourth quintile, and 97% in the second and fifth quintile.

Average monthly per pupil expenditures of households with children in elementary school totaled AMD 2639, of which 31.1% was spent on textbooks, 7.2% – on tuition fees, 13.1% - on private lessons, and 48.6% - on other educational expenses. In comparison with the monthly average AMD 2639, these expenditures totaled AMD 2951 for non-poor, AMD 1981 for poor (excluding the extremely poor), and AMD 1321 for extremely poor households.

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[*] The indicator of gross enrollment in the education system is the percentage of the total number of pupils in the given system of education towards the number of officially defined age groups for the same education system.

Middle School (5-9 grades)

According to ILCS data, in 2017 gross enrollment in middle school was 100%. Gross enrollment in middle school was 97% for non-poor households, 101%* for poor households (excluding the extremely poor), and 100% for extremely poor households. It was 99% in the poorest quintile, 98% in the second quintile, 96% in the third quintile, 102%* in the fourth quintile, and 97% in the fifth quintile.

Average monthly per pupil expenditures of households with children in middle school totaled AMD 3079, of which 38.4% was spent on textbooks, 14.7% – on private lessons, 1.6% – on tuition fees, , and 45.3% – on other expenses. In comparison with the monthly average AMD 3079, these expenditures totaled AMD 3299 for non-poor, AMD 2627 for poor (excluding the extremely poor), and AMD 1211 for extremely poor households.

After completing basic education (comprised of elementary and middle school), a part of children in the relevant age drops out of school.

As mandatory education in Armenia is free-of-charge, schooling expenses for elementary and secondary education are not a major problem for households. However, even this category of expenses is a burden, which is more significant for households with pupils at higher grades.

High School (10-12 grades)

According to ILCS data, in 2017 gross enrollment in high school (the age group 15-17 years) was 64%. At that, it was 66% for non-poor, 61% for poor (excluding the extremely poor) and 58% for extremely poor households.

Average monthly per pupil expenditures of households with children in high school totaled AMD 5927, of which 43.4% was spent on private lessons, 24.2% – on textbooks, 4.1% - on tuition fees, and 28.3% – on other expenses. At that, these expenditures varied by poverty status, as follows: for the non-poor – AMD 7471, of which 48.9% was spent on private lessons, 20.9% – on textbooks, 4.8% - on tuition fees, and 25.4% – on other expenses; for the poor (excluding the extremely poor) – AMD 2727, of which 43.7% was spent on textbooks, 45.2% - on other expenses, 11.1% on private lessons; for the extremely poor – AMD 1580, of which 58.7% was spent on textbooks, 41.3% – on other expenses, and nothing was spent on private lessons.

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* The indicator of gross enrollment in the education system is the percentage of the total number of pupils in the given system of education towards the number of officially defined age groups for the same education system.

According to ILCS data, in 2017 as much as 11.3% individuals of the age group 15-17 years did not attend school. The majority of them, 83.1%, told that they had completed schooling or educational studies, 2.8% noted poor health as a reason for not continuing their education, 3.1% was not willing to study anymore, and 3.0% reported that educational services were too expensive for them to continue studies. The rest did not attend school for other reasons.
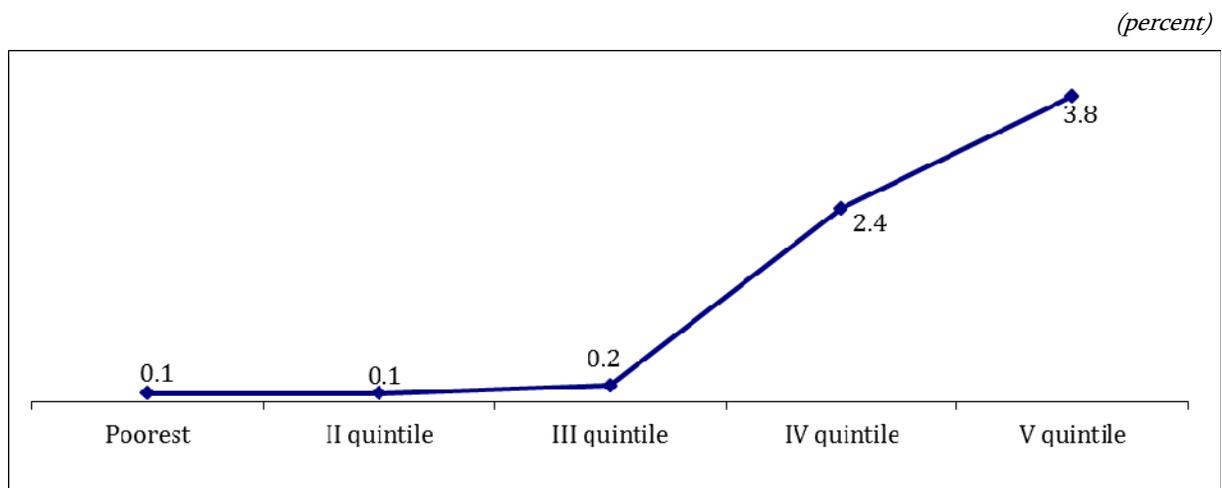
Higher Education Institutions

In contrast to basic education, enrollment in upper secondary school and in tertiary education is relatively low, with rather visible differences between the poor and the non-poor. High costs of tertiary education and specifically its affordability, relatively low perceived returns on education were cited as the main reasons explaining why teens from poor households drop out the educational system after completing basic education and, particularly, general secondary education.

According to ILCS data, in 2017 gross enrollment in tertiary education (the age group 18-22 years) was 47%. Gross enrollment in tertiary education institutions was 53% for non-poor households, 29% for poor households (excluding the extremely poor), and 0% for extremely poor households. It was 26% in the poorest quintile, 29% in the second quintile, 15% in the third quintile, 50% in the fourth quintile, and 89% in the fifth quintile.

In 2017, average monthly per student expenditures of households with members in higher education institutions totaled AMD 30424, of which 86.5% was spent on tuition fees, 5.0% – on textbooks, 1.5% – on private lessons, and 7.0% – on other expenses.

Graph 8.3 presents the share of spending on education in the population's total consumption, by quintile groups. The data presented in Table A3.9 of Annex 2 suggests that the average expenditures on education for the poorest quintile were 45 times lower than the average (AMD 30 and AMD 1347, respectively), whereas the same indicator for the fifth quintile was 3.6 times higher than the average (AMD 4855 and AMD 1347, respectively).

Graph 8.3 – Armenia: Share of Spending on Education in Total Consumption, by Quintile Groups, 2017

(percent)

Source: *ILCS 2017*

According to ILCS data, in higher education institutions 84.2% of students were from non-poor households, 15.7% – from poor households (excluding the extremely poor), and around 0.1% – from extremely poor households.

10.7% of studying members of households reported that during the current and previous academic years they were requested to **give a gift to a teacher or a lecturer**. 15.2% of studying members of households reported that they gave a gift to the teacher or the lecturer at their own initiative or by others' request.

One of the most important indicators of **education accessibility** is the distance between the household and the closest school. According to ILCS 2017 data, 74.4% of respondents in rural communities reported that the secondary school was up to 1 km away. Meanwhile, 1.8% of households cited that it was more than 4 km away, including 0.5% of households which reported that the distance to closest secondary school was more than 10 km. Table 8.3 presents these findings by quintile groups.

Table 8.3 – Armenia: Rural Communities - Distance to Closest Secondary School and Transportation Means Used for Reaching School, 2017

(percent)

Rural communities	Quintile					Total
	I	II	III	IV	V	
Distance to closest secondary school						
0-1 km	76.8	77.2	78.4	70.5	67.8	74.4
1-3 km	22.0	21.2	19.0	27.6	30.3	23.8
4-5 km	0.3	0.5	0.5	0.4	0.8	0.4
6-10 km	0.2	1.0	0.9	1.2	1.0	0.9
>10 km	0.7	0.1	1.2	0.3	0.1	0.5
Total	100	100	100	100	100	100
Transportation means used for reaching school						
Car	5.2	9.8	10.5	12.8	14.7	10.4
Bus	2.4	2.5	1.4	0.9	0.7	1.6
Taxi	0.2	0.2	0.1	0.1	0.2	0.1
Carriage	-	-	0.1	-	-	0.0
Bicycle	-	-	-	0.5	-	0.1
On foot	92.2	87.5	87.9	85.7	84.4	87.8
Total	100	100	100	100	100	100

Source: *ILCS 2017*

For both boys and girls within the age group of 16-20 years, the **main reason for discontinuing education** was that they completed the secondary school (58.3% and 59.8%, respectively). At the same time, the high cost of education was reported by 1.9% of boys and 2.7% of girls. The data by quintile groups is presented in Table 8.4.

Table 8.4 – Armenia: Reasons for Individuals of Age Group 16-20 Years Not to Go for Further Education, by Gender, 2017

(percent)

	Quintile					Total
	I	II	III	IV	V	
Boys						
Illness	4.7	5.9	1.6	-	-	3.0
Has to work	1.9	-	-	-	-	0.6
Transportation problems	-	-	-	-	-	-
Too expensive	3.8	3.4	3.9	-	-	2.7
Does not want to study	2.2	-	1.7	-	-	1.1
Does not attend temporarily, but intends to continue studies	-	-	-	-	-	-
Family reasons	-	-	-	-	-	-
Finished basic school (9th grade)	15.3	14.0	27.2	6.9	12.5	15.9
Finished secondary school (12th grade)	55.7	64.0	46.4	71.6	60.4	58.3
Finished educational studies	14.7	12.7	15.7	19.2	27.1	16.7
Other	1.7	-	3.5	2.3	-	1.7
Total	100	100	100	100	100	100
Girls						
Illness	-	-	-	0.6	-	0.1
Has to work	-	-	1.5	2.0	-	0.6
Transportation problems	-	-	-	-	-	-
Too expensive	1.7	4.5	1.6	-	-	1.9
Does not want to study	2.1	1.7	3.2	-	-	1.8
Does not attend temporarily, but intends to continue studies	0.9	1.4	3.3	3.1	-	1.8
Family reasons	2.1	2.4	-	-	-	1.3
Finished basic school (9th grade)	7.8	11.6	4.4	4.6	4.0	7.1
Finished secondary school (12th grade)	63.0	60.3	58.9	50.4	62.7	59.8
Finished educational studies	19.6	18.1	27.1	39.3	33.3	24.6
Other	2.8	-	-	-	-	1.0
Total	100	100	100	100	100	100

Source: *ILCS 2017*

8.2. Courses for Individuals (14 Years and Above) Not Enrolled in Educational Institutions

According to ILCS data, in 2017 only 0.4% of persons of the age 14 years and above not enrolled in an educational institution had attended any course within the 12 months preceding the survey. The composition of courses by duration was as follows: up to two weeks – 59.2%, from two weeks to one month – 10.5%, one month – 7.6%, more than one month – 22.7%. Whereas in the previous year such studies were mainly funded by the households (43.1), in 2017 the state/ communities were the primary source of funding (50.9%). The main objective of the courses was reported as training – 35.7%, advanced training – 33.8%, and retraining – 30.5%. The following courses were most often attended: computer – 18.1%, foreign language – 16.6%, accounting – 6.9%, and handicraft – 7.1%. Average monthly per course expenses of households over the last 12 months totaled around AMD 109 thousand (with a minimum AMD 24 thousand and a maximum AMD 250 thousand).

Chapter 9. Social Transfers in Armenia and Their Impact on Poverty Reduction

9.1. System of Social Transfers in Armenia

Social transfers include pensions and monetary social assistance. Pensions are an important source of income for the population, especially for pensioners, who often have it as the only source of income; therefore, general welfare of this group of the population is dependent on the size of pension (Table A9.1 of Annex 4 presents the number of pensioners in Armenia by pension types). The largest program in the field of monetary social assistance in the Republic of Armenia is the Family Benefit program. It is the largest program in terms of population coverage, as well as of the funds allocated for this purpose from the RA State Budget.

9.2. Impact Assessment of Social Transfers on Poverty Reduction

Although expenditures on social transfers from the consolidated budget increase year after year, they still remain at a rather limited level as a share of GDP (7.4% in 2017). Nevertheless, social transfers considerably contribute to the reduction of poverty. If payments of all social transfers (including pensions and social assistance benefits) were to be stopped and households would not be compensated for the loss due to lack of sufficient resources, the poverty rate would significantly increase, the total poverty rate would increase by 20.9 percentage points or by 55% (from 25.7 percentage points to 46.6 percentage points), and also the poverty gap and severity would be higher.

The social transfers have a significant poverty reduction effect on beneficiary households, and although not all the beneficiaries manage to overcome the poverty burden after they receive monetary assistance, both poverty gap and poverty severity significantly reduce among them. Pensions, as the biggest component of social transfers, have more significant impact on poverty reduction than monetary social assistance, accounting for a reduction of 19 percentage points in poverty. However, the role of monetary social assistance, and particularly effect of the income support provided by the Family Benefit program to reduce poverty is not negligible. In 2017, the Family Benefit program accounted for a reduction of 2.6 percentage points in poverty.

While the Family Benefit (FBP) program's coverage of the population is lower than previous years (12.9 percent of the population in 2017 vs. 13.6 percent in 2016), the coverage of the poorest quintile has increased in 2017 (39.0 percent as compared to 35.3 percent in 2016). In 2017, 78.7 percent of FBP beneficiaries belonged to the bottom two quintiles compared to 73 percent in 2016; similarly, 78.3 percent of all benefits went to the poorest two quintiles in 2017 as compared to 72.5 in 2016.

Methodology

The impact of social protection programs on poverty in the country is assessed through the Integrated Living Conditions Survey. The analysis covers two main programs of social assistance – pensions and state monetary assistance, which include all types of monetary social assistance. With the exception of Family Benefit (FB), all other types of state benefits are allocated to very narrow groups of the population; therefore, these beneficiaries have very small share in ILCS, which is not enough to draw statistically significant conclusions.

Assessment of poverty impact of social transfers (pensions and state monetary assistance) was based on the following methodology: poverty indicators observed in the survey ("post-transfer" poverty rate) are compared with those that would be obtained if the transfers would not have been paid ("pre-transfer" poverty rate). The assessment methodology is as follows: "pre-transfer" consumption aggregate for households is calculated by subtracting the amount of social transfers (pensions, monetary social assistance, or both) from the observed total consumption aggregate, assuming that the total amount of social transfers is consumed by the household (a situation that is very typical for low-income countries like Armenia). This methodology is especially important for the improved targeting of social assistance. The population that should be targeted by social assistance is "pre-transfer" poor, since some poor households move out of poverty after they receive social assistance; therefore, "post-transfer" population, as a target group for observation, would constitute rather significant inconsistencies.

The impact of pensions on poverty was estimated comparing the "pre-transfer" poverty rate with the poverty rate after receiving pensions, i.e. with "post-pension", but without "pre-social assistance" poverty rate[1].

9.3. What is the Impact of Social Transfers on Poverty Rate in Armenia?

In 2017, AMD 411.1 billion or 7.4% of GDP (as compared to AMD 207.9 billion or 5.8% of GDP in 2008 and AMD 405.1 billion or 8% of GDP in 2016) was allocated to social benefits and pensions from the state budget of Armenia. The largest social transfers are pensions that include age, military and social pensions.

Social transfers in 2017 constituted 16.1% of the gross average monthly per capita income of Armenian households (16.5% in 2008, and 16.0% in 2016) (Table 6.1). Social transfers made up 22.5% of the average monthly income per adult household member in the bottom consumption quintile, whereas for households in the top consumption quintile they made up 9.3% only (Table A.3.10, Annex 2). Looking across the types of communities, it's evident that social transfers were an important source of income for 17.7% mainly urban households outside Yerevan, whereas for households in Yerevan and in rural communities they made up 13.4% and 13.5% of the average monthly income, respectively (Table A.3.10, Annex 2).

According to the ILCS, transfers through the family benefit program were considered a source of income by 12.9% of household members in 2017; pensions were indicated as a source of income by 55.5% of household members; childbirth and childcare allowances – by 1.4%, and other benefits, including privileges were considered a source of income by 0.3% of respondent households (Table 9.1).

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[1] Findings of the survey provide the picture of Armenian population with certain statistical error (deviation). "Pre-transfer" and "post-transfer" poverty rates also contain such statistical error. The impact of social transfers on poverty rate is statistically significant if the confidence intervals related to the average "pre-transfers" and "post-transfers" poverty rates do not overlap.

Table 9.1. Armenia. Share of Household Members Considering Social Transfers a Source of Income, 2008-2017

(percent)

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Pension	50.5	51.9	52.5	53.3	53.9	53.7	55.2	54,0	52.4	55.5
Family benefit	15.3	12.2	13.4	10.2	13.5	12.2	13.3	13,5	13.6	12.9
Unemployment benefit	0.6	1.1	1.3	1.2	0.5	0.4	0.0	0,1	0.0	0.0
Childbirth and childcare allowances	0.5	0.7	1.1	1.1	1.4	1.0	1.3	1,7	1.3	1.4
Other benefits	3.7	4.2	3.1	3.2	2.6	1.6	2.3	2.1	2.7	0.3

Source. *2008-2017, ILCS*

Based on the 2017 survey findings, one can conclude that social transfers, although constituting a small share of GDP, still remain an important tool for the poverty reduction. If payments of social transfers (pensions and monetary social assistance) are stopped and the poor are not able to compensate for this loss from other sources, poverty and extreme poverty rates will increase significantly (Table 9.2). Poverty would increase from 25.7% to 46.6%; and the poor would become even poorer, because the poverty gap, i.e. the shortfall of their average consumption relative to poverty line, would increase from 4.4% to 19.4%, poverty would become more severe, and poverty severity index would increase from 1.2% to 12.9%. Such unfavorable effect would be more significant for extremely poor households. If payments of social transfers (pensions and monetary social assistance) are stopped and the extremely poor are not able to compensate for this loss from other sources, the extreme poverty rate will increase from 1.4% to 19.4%; the extremely poor would become even poorer, because the poverty gap, i.e. the shortfall of their average consumption relative to extreme poverty line, will increase from 0.2% to 10%. Poverty would become more severe and poverty severity will increase from 0.0% to 9.3%.

Table 9.2. Armenia. Poverty Mitigation Impact of Social Transfers, 2017

(percent)

	Poor			Extremely poor		
	Poverty rate	Poverty gap	Poverty severity	Poverty rate	Poverty gap	Poverty severity
Post-transfer (post-pension and post-social assistance)	25.7	4.4	1.2	1.4	0.2	0.0
Pre-transfer (pre-pension and pre-social assistance)	46.6	19.4	12.9	19.4	10.0	9.3
Prior to payment of pensions (pre-pensions and post social assistance)	44.7	17.1	10.7	16.5	8.0	7.1
Prior to payment of all social assistance (pre-family benefits and other social assistance, post-pensions)	28.4	6.2	2.2	4.1	0.9	0.4

	Poor			Extremely poor		
	Poverty rate	Poverty gap	Poverty severity	Poverty rate	Poverty gap	Poverty severity
Prior to payment of family benefit (pre-family benefits, post-pensions and other social assistance)	28.3	6.1	2.2	4.0	0.9	0.3

Source. *2017, ILCS*

Pensions, as a larger component of social transfers, have a stronger impact on poverty reduction. However, the role of social assistance, and particularly the role of family benefits is not small either. For example, if payments of only the family benefits were to be terminated, extreme poverty would increase by 2.6 percentage points (from 1.4% to 4.0%), and the poverty rate would increase, coincidentally, also by 2.6 percentage points (from 25.7% to 28.3%). The poverty gap and severity would increase by 1.7 and 1.0 percentage points, respectively, whereas the extreme poverty gap and severity would increase by 0.7 and 0.3 percentage points, respectively (Table 9.2). These figures prove that family benefits have especially essential impact on extreme poverty. Observations of poverty rate impact of socials transfers over 2010-2017 demonstrate the vital importance of social transfers. Non-payment of social transfers in 2010 would result in increase of poverty by 54.2% or 18.4 percentage points and in 2017 - by 46.6% or 20.9 percentage points (Table 9.3).

Table 9.3. Armenia. Poverty Mitigation Impact of Social Transfers, 2010 and 2017

(percent)

Status	Poverty rate		Extreme poverty rate	
	2010	2017	2010	2017
Post-transfer (post-pensions and post-social assistance)	35.8	25.7	3.0	1.4
Pre-transfer (pre-pension and pre-social assistance)	54.2	46.6	20.9	19.4
Prior to payment of pensions (pre-pension and post-social assistance)	51.9	44.7	17.3	16.5
Prior to payment of all social assistance (pre-family benefits and other social assistance, post-pension)	39.4	28.4	6.8	4.1
Prior to payment of family benefit (pre-family benefits, post-pensions and other social assistance)	38.8	28.3	6.5	4.0

Source. *2010 and 2017, ILCS*

Table 9.4 presents pre-transfer and post-transfer poverty indicators only for the households receiving social transfers. Non-payment of social transfers would worsen the living conditions of those households significantly. Obviously, the situation in this case will look much worse than the impact of non-payment of social transfers assessed for the whole population in the previous table. If pensions are

not paid, and households cannot compensate the loss from other sources, the level of poverty among pensioners would considerably increase from 28.7% to 62.9%, while the share of extreme poverty among pensioners will increase from 1.3% to 18.4%. Poverty rates among households receiving family benefits are much higher than the average poverty rate in the country even after receiving FB; it comes to 48.6% as compared to 25.7% of average rate. Termination of payment of family benefits to such households would lead to increase of poverty rate from 48.5% to 68.4%, whereas the share of extremely poor households would increase from 4.7% to 24.7%.

Table 9.4. Armenia. Poverty Reduction Impact of Social Transfers on Households Receiving Pensions and/ or Other Social Assistance, 2017

(percent)

	Extremely poor	Poor	Poverty gap (P1/P0)	Poverty severity
Households receiving pension				
After receipt of pension	1.5	28.7	4.9	1.3
Prior to receipt of pension	28.7	62.9	27.8	18.4
Households receiving social assistance				
After receipt of social assistance	4.7	46.6	9.9	3.1
Prior to receipt of social assistance	22.9	65.4	22.3	10.3
Households receiving family benefit				
After receipt of family benefit	4.7	48.6	10.4	3.3
Prior to receipt of family benefit	24.7	68.4	23.5	10.8

Source. *ILCS 2017*

Note. *Poverty gap (P1/P0) indicates the average shortfall of consumption of the poor or extremely poor population relative to the total or food poverty line.*

Termination of monetary assistance would not only increase the number of households below the poverty line, but also would lead to intensification of poverty gap and severity. Hence, the social transfers have a significant poverty reduction effect on beneficiary households, and although not all the beneficiaries manage to overcome the poverty burden after they receive monetary assistance, both poverty gap and poverty severity significantly reduce among them.

Looking at the poverty reduction impact of family benefit across provinces also highlights its importance, especially for the extremely poor population. The extreme poverty reduction impact of family benefit remains significant in Yerevan and in all provinces. If family benefits are not paid and households cannot compensate the losses from other sources, extreme poverty rate will increase in 10 of the 11 provinces (ten provinces and Yerevan city). Family benefits are quite vital for the extremely poor population in Shirak, Kotayk, Lori, Tavush and Armavir provinces of Armenia, as the proportion of the extremely poor population will increase by 2.1-7.1 percentage points in case of non-payment of family benefit.

Non-payment of family benefits would lead to an increase of total poverty rate in Aragatsotn province by 6.3 percentage points, in Gegharkunik province by 5.6 percentage points, and in Shirak and Lori by 4.7 and 4.5 percentage points, respectively (Table 9.5).

Table 9.5 Armenia. Poverty Reduction Impact of Family Benefit, by provinces, 2017

(percent)

	Post-transfer level (pensions and social assistance paid)		Prior to payment of family benefit (pre-FB, post-pension and other social assistance)		Impact of non-payment of family benefit, change, percentage point	
	Extreme poverty rate	Poverty rate	Extreme poverty rate	Poverty rate	Extreme poverty rate	Poverty rate
Yerevan	1.0	22.4	2.4	23.5	1.3	1.1
Aragatsotn	0.0	17.6	0.0	23.9	0.0	6.3
Ararat	1.6	21.7	6.1	25.3	4.5	3.7
Armavir	0.9	26.2	3.1	26.7	2.3	0.5
Gegharkunik	1.3	20.5	2.0	26.2	0.6	5.6
Lori	2.0	29.7	7.9	34.3	5.8	4.5
Kotayk	1.5	31.1	3.8	32.7	2.3	1.6
Shirak	4.7	44.3	11.8	48.9	7.1	4.7
Syunik	0.0	18.5	0.6	19.4	0.6	0.9
Vayots Dzor	0.0	16.9	1.4	20.6	1.4	3.7
Tavush	1.1	27.8	3.2	30.6	2.1	2.8

Source. *ILCS 2017*

9.4. Effectiveness of Social transfers

Who are beneficiaries of social transfers? In order to estimate the effectiveness of social transfers based on the findings of the household survey, inclusion of the "pre-transfer" poor, extremely poor, as well as non-poor population in social assistance programs has been examined. The higher is the coverage of poor and extremely poor population and the lower is that of non-poor population, the more effective is the social assistance and the better is targeting of the most vulnerable population.

Results of the analysis of the family benefit system show that the coverage of the extremely poor by the FB system has increased. In 2017, 79.6% of the "pre-FB" extremely poor households received family benefit as compared to 77.5% in 2008 (Table 9.6). At the same time, in 2017, 5.7% of the "pre-FB" non-poor households received family benefit, which constituted a decrease by 1.7 percentage points relative to the compared period of 2008.

It should be noted that pensions in contrast to family benefits, are paid to all eligible individuals irrespective of their poverty status. Therefore, there is no coverage issue in this field. As to family benefit program, it has this challenge.

Table 9.6. Armenia. Beneficiaries of Social Transfers in 2008 and 2017

(percent)

	Prior to receipt of social assistance		Prior to receipt of family benefit		Prior to receipt of pension	
Coverage of "pre-transfers" population by pension and social assistance programs						
	2008	2017	2008	2017	2008	2017
Poor[1]	37.6	25.1	33.8	23.3	70.9	96.3
Extremely poor	79.3	81.4	77.5	79.6	95.4	96.3
Non-poor	11.2	7.0	7.4	5.7	36.5	37.3

Source. *2008 and 2017, ILCS*

Inequality of Social Transfers. ILCS assessments show that social transfers also contribute to the reduction of disparity between consumption distribution. Pre-transfer Gini coefficient of consumption aggregate distribution in 2017 reduces from 0.376 to 0.303, when the consumption aggregate is added by pensions; in case of adding all social transfers the inequality of consumption reduces to 0.289 (Table 9.7).

Table 9.7. Armenia. Impact of Social Transfers on Inequality of Consumption Aggregate Distribution (Gini Coefficients of Consumption Aggregate) in 2008-2017

	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
Pre-transfer (pre-pension and pre-social assistance)	0.316	0.346	0.359	0.357	0.359	0.354	0.377	0.375	0.362	0.376
Prior to payment of all social assistance (pre-family benefits and other social assistance, post-pension)	0.258	0.272	0.282	0.28	0.282	0.282	0.289	0.292	0.302	0.303
Post-transfer (post-pension and post-social assistance)	0.242	0.257	0.265	0.267	0.269	0.271	0.277	0.279	0.286	0.289

Source. *2008 - 2017, ILCS*

9.5. Family Benefit

Table 9.8 presents the coverage rate of the FBP by quintiles of the pre-social assistance benefits consumption distribution and for people below the upper poverty line in 2015, 2016 and 2017. The coverage of the FBP in 2016 is similar to 2015, about 13.6 percent of the total population. In 2017 the coverage of the FBP decreased to 12.9 percent of the total population. However, the coverage of the poor is higher in 2017 as compared to 2016 and 2015. One out of 3 poor (defined as those below the upper poverty line) are covered by the FBP. While the coverage of the upper three quintiles increased from 15.7 to 19.9 percent between 2015 and 2016, it has changed in 2017 by decreasing to 12.3 percent.

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[1] "Poor" category in this table identifies only poor households above the extreme poverty line.

The coverage of the poor and poorest quintiles of the combined social assistance benefits including the FBP, child benefits and "other social assistance benefits" decreased.

Table 9.8. Armenia. Coverage of Family Benefit and All Social Assistance across "Pre-Social Assistance" Consumption Quintiles

(percent)

		Quintile					
	Total	Bottom	II	III	IV	Top	Poor
Family benefit							
2015	13.5	37.9	13.8	7.8	4.8	3.1	27.5
2016	13.6	35.3	12.9	10.3	6.4	3.2	24.3
2017	12.9	39.0	13.3	6.8	3.7	1.8	31.3
Social assistance (FB included)							
2015	15.2	38.7	15.5	9.2	6.7	6.0	27.8
2016	17.1	43.4	15.6	11.6	8.2	6.5	30
2017	14.4	40.4	14.7	7.6	5.3	4.0	32.8

Source*: ILCS 2015, 2016 and 2017*

Table 9.9 presents the distribution of the FB budget and the FB beneficiaries by "pre-FB" consumption quintile groups, based on the ILCS findings. The data clearly show that in 2017, 78.7% of the beneficiaries were in the lowest two "pre-FB" consumption quintiles getting 78.3% of the FB budget. The factual "leakage" of FB funds is the resources distributed to the beneficiaries in upper consumption quintiles (the richest two quintiles), i.e. 9.5% of the beneficiaries getting 10.1% of the FB budget are not vulnerable.

Table 9.9. Armenia. Distribution of Family Benefit and Other Social Assistance Recipients and Resources across Consumption Quintiles, 2017

(percent)

	Quintile				
	Bottom	II	III	IV	Top
Family benefit based on "Pre-FBP" consumption quintiles					
Resources	58.0	20.3	11.7	6.7	3.4
Beneficiaries	58.3	20.4	11.8	6.6	2.9
Social assistance (FB included) based on "Pre-Social assistance" consumption quintiles					
Resources	55.8	20.3	11.2	8.1	4.6
Beneficiaries	53.9	20.3	12.0	8.2	5.7

Source. *ILCS 2017*

Which groups of the population are more likely to be included into or excluded from the FB system? According to the ILCS estimates, households with 4 and more children and with no working member or income from hired employment have higher poverty risk (Table 9.10).

Table 9.10. Armenia. Poverty Rate and "Pre-FB" Coverage, by Specific Groups of Households, 2008 and 2017

(percent)

Household type	Extreme poverty rate		Poverty rate		Coverage of the "pre-FB" poor	
	2008	2017	2008	2017	2008	2017
HH with 4 and more children	23.1	20.5	56.7	53.3	76.7	72.7
HH with no working member	11.6	8.6	43.6	31.7	71.1	52.0
HH with no income form hired employment	8.3	6.5	37.6	30.6	69.4	50.9
Rural landless HH	4	4.2	28.3	28.5	65.8	31.6
HH with no migrant member	4.8	3.9	31.1	28.6	68.3	29.7

Source. *ILCS 2008 and 2017*

Chapter 10: Housing Conditions

Integrated Living Conditions Surveys (ILCS) provide a unique opportunity to collect data on the housing conditions of population, the accessibility of utility services, and other data related to housing issues. This chapter presents a comparative analysis of the main indicators of housing conditions for the period of 2008-2017, based on ILCS data.

10.1. Housing Conditions

As of 2017, most of the households in Armenia (91.0%) owned their homes. Multi-apartment buildings were most common in urban communities – with 73.5% share in total dwelling, whereas private houses with 91.7% share in total dwelling comprised a majority in rural communities (Table 10.1). The share of persons living in hostels is higher in urban communities. The proportion of residents of hostels, temporary dwellings and other types of abode was 2.1% in urban and 2.3% in rural communities. Most of the people living in temporary dwellings were poor and belonged to the first quintile.

Table 10.1 – Armenia: Households, by Type of Dwelling, Type of Community, Poverty Rate, and Quintile Group of Consumption, 2017

(percent)

	Total	Including, by type of dwelling				
		House	Apartment	Hostel	Temporary dwelling	Other abode
By type of community						
Urban, *including*	100	24.4	73.5	1.3	0.8	-
Yerevan	100	20.2	77.3	2.4	0.1	-
Other urban	100	28.8	69.4	0.2	1.6	-
Rural	100	91.7	6.0	0.1	2.2	-
Total	100	47.8	50.0	0.9	1.3	-
By poverty status						
Non poor	100	46.4	51.8	0.7	1.1	-
Poor (excluded the extremely poor)	100	53.0	43.4	1.7	1.9	-
Extremely poor	100	61.9	31.0	2.3	4.8	-
By quintile groups of consumption aggregate						
First	100	53.3	43.0	1.3	2.4	-
Second	100	52.8	43.5	1.7	2.0	-
Third	100	46.5	51.5	0.8	1.2	-
Forth	100	49.4	49.4	0.4	0.8	-
Fifth	100	40.5	58.3	0.6	0.6	-

Source: *ILCS 2017*

Occupancy rates are a serious problem in the country. According to 2017 survey data, the average occupancy rate of a 1-room apartment was 2.20 persons. Occupancy rates differed by poverty status. Thus, according to survey data, occupancy rate of 1-room apartments in the bottom quintile was 1.5 times higher than in the top quintile. In 2017, this occupancy rate comprised 3.00 persons in the bottom and 1.95 persons in the top quintile. 583 out of 1000 households (against 877 in 2008 and 568 in 201) living in a 1-room apartment had 2 or more habitants. Rural households in 2017 had more living space than urban ones (Table 10.2). However, in terms of the availability of necessary amenities, urban housing was in a much better situation than the rural one. Only 10.3% of rural households reported having in-house (functional) kitchen, cold water supply, flush toilet and bathtub, whereas in urban communities such households comprised 89.7%.

Table 10.2 – Armenia: Availability of Living Space, 2017

(per household member, square meter)

Total availability of living space, *including*	25.2
Urban communities	23.0
Rural communities	29.0

Source: *ILCS 2017*

Survey findings also reflect on the households' subjective assessment of their dwelling conditions (Table 10.3). In 2017, most of the households, particularly 63.4%, rated their dwelling conditions as satisfactory (against 60.2% in 2008 and 61.7% in 2016). 17.6% of households rated their dwelling conditions as bad, and 3.6% – very bad. Only 15.4% considered their dwelling conditions to be good or very good (against 12.2% in 2008 and 16.0% in 2016). The subjective assessment of dwelling conditions was further decomposed by the type of community, poverty status, and quintile groups of consumption aggregate. In 2017, urban households were more satisfied with their dwelling conditions than comparable rural households (Table 10.3).

Poorer households in the lower quintile groups were less satisfied with their dwelling conditions than the non-poor, and the level of satisfaction was higher in upper quintiles. In the bottom consumption quintile 34.6% of households assessed their dwelling as bad or very bad, whereas in the top quintile such assessment was reported by 11.3% of households.

Table 10.3 – Armenia: Households' Subjective Assessment of Dwelling Conditions, 2017

(percent)

	Total	Subjective assessment of dwelling conditions				
		Very good	Good	Satisfactory	Bad	Very bad
By type of community						
Urban, *including*	100	0.7	16.3	65.7	14.6	2.7
Yerevan	100	0.6	14.6	68.0	13.6	3.2
Other urban	100	0.7	18.3	63.2	15.7	2.1
Rural	100	0.8	11.5	59.2	23.2	5.3
Total	100	0.7	14.7	63.4	17.6	3.6
By poverty status						
Non poor	100	0.9	16.2	64.6	15.9	2.4
Poor (excluded the extremely poor)	100	0.1	8.9	59.8	24.2	7.0
Extremely poor	100	-	3.3	44.0	21.0	31.7
By quintile groups of consumption aggregate						
First	100	0.1	7.9	57.4	25.6	9.0
Second	100	0.1	12.1	62.7	20.5	4.6
Third	100	0.1	10.8	66.5	19.1	3.5
Forth	100	0.6	16.6	64.6	16.4	1.8
Fifth	100	2.1	22.4	64.2	10.2	1.1

Source: *ILCS 2017*

Poor and, particularly, extremely poor households were more likely to reside in substandard dwelling. While 17.1% of non-poor households were not satisfied with the size of their living space, the share of dissatisfied respondents was 30.3% among the poor and 50.5% among the extremely poor (Table 10.4). Similarly, the main complaints from the extremely poor were about poor heating, dilapidated walls and floor, as well as broken frames and doors, dampness, poor lighting, and leaking roofs.

Table 10.4 – Armenia: Household Complaints about Housing Conditions, by poverty status, 2017

(percent)

	Non poor	Poor	Extremely poor
Total	100*	100*	100*
Insufficient living space	17.1	30.3	50.5
Noisy neighbors and surroundings	2.4	2.3	2.6
Poor lighting	7.9	10.8	32.8
Poor heating	50.8	67.3	79.7
Dampness	24.7	34.2	46.0
Leaking roofs	12.8	20.5	30.1
Dilapidated walls and floor	19.7	36.6	69.1
Broken frames and doors	17.8	33.7	48.4
Heavy traffic	4.3	3.6	4.5
Industrial pollution	5.3	7.4	6.3
Frequent breakdowns of elevator	4.1	4.3	1.2
Poor water supply	12.7	12.6	8.7
Poor garbage disposal	17.7	20.7	31.3
Poor maintenance of public areas and yards of multi-apartment buildings	17.7	15.8	9.6
Lack of green zones	32.7	31.7	37.8
Other	3.4	2.9	4.7

Source: *ILCS 2017*

*Note: *The total amount exceeds 100% as the households might have chosen several options of responses*

In 2017, only 2.2% or 17.8 thousand households reported to have renovated their dwelling in the year prior to the survey; at that, most of them, particularly 89.6%, were non-poor households, whereas the same indicator for poor households was 10.4% only, and none of the extremely poor households were able to renovate their dwelling.

10.2. Access to Drinking Water, Sewerage, and Garbage Disposal

Access to drinking water: According to ILCS 2017, overwhelming majority of households reported having access to a centralized water supply system. Such systems were available to about 99.9% of urban and 93.3% of rural households (Table 10.5).

Among the households with centralized water supply, 94.2% had in-house water supply, 5.0% had a water tap in the yard, and the remaining 0.8% used a tap on the street.

Table 10.5 – Armenia: Access to Drinkable Water, 2008 and 2017

(percent)

Main source of water	Country total		Urban communities		Rural communities	
	2008	2017	2008	2017	2008	2017
Centralized water supply	97.1	97.3	99.5	99.9	92.4	93.3
Less than one hour	0.7	0.0	0.1	0.0	1.9	0.0
1-5 hours	31.3	6.9	31.2	3.4	31.4	12.9
6-12 hours	28.6	13.4	32.6	8.0	20.5	22.5
13-23 hours	5.7	8.5	5.9	10.9	5.3	4.3
24 hours	33.7	71.2	30.2	77.7	40.9	60.3
Spring water, well	1.2	0.8	0.1	0.1	3.1	2.0
Own system of water supply	0.5	1.5	0.1	0.0	1.3	3.8
Delivered water	1.1	0.1	0.2	0.0	3.0	0.1
Other sources	0.1	0.3	0.1	0.0	0.2	0.8

Source: *ILCS 2008 and 2017*

However, access to a centralized water supply system did not necessarily amount to appropriate water supply services. In 2017, water was available to households for about an average 20.1 hours daily. Only 71.2% of households with centralized water supply systems reported to have 24-hour supply. While this was an obvious improvement as compared to 2008, still 6.9% of households had water for 1-5 hours daily. Moreover, not all communities in the country had water supply on everyday basis. On average, households had water supply for 30 days within a month.

In 2017, 0.9% of urban households had water supply for 3 weeks within a month. In rural communities, 0.1% of households had water supply for 1-7 days, 1.3% – for 2 weeks, and 2.4% – for 3 weeks within a month.

Countrywide, 0.5% of households had water supply for 2 weeks, and 1.5% – for 3 weeks within a month.

Table 10.6 – Armenia: Availability of Water Supply Services, by Quintile Groups of Consumption Aggregate, 2008 and 2017

(percent)

	First quintile		Second quintile		Third quintile		Forth quintile		Fifth quintile	
	2008	2017	2008	2017	2008	2017	2008	2017	2008	2017
Centralized water supply	96.6	96.1	96.4	97.6	96.0	97.1	97.8	97.3	98.2	98.4
Less than 1 hour	1.1	0.0	1.0	0.0	0.5	0.0	0.5	0.0	0.5	0.0
1-5 hours	35.5	6.2	33.8	7.2	28.6	8.5	30.1	7.2	29.4	5.6
6-12 hours	24.0	14.2	26.9	13.4	28.2	13.6	32.7	14.6	30.3	11.1
13-23 hours	4.5	6.5	6.5	8.1	6.2	10.1	5.1	7.9	6.1	9.7
24 hours	34.9	73.1	31.8	71.3	36.5	67.8	31.6	70.3	33.7	73.6
Spring water, well	1.6	0.8	1.2	0.8	1.1	1.3	1.4	0.7	0.6	0.6
Own system of water supply	0.5	2.5	0.7	1.2	0.8	0.9	0.3	1.9	0.5	1.0
Delivered water	1.0	0.1	1.7	0.1	2.0	0.1	0.3	0.0	0.7	0.0
Other sources	0.3	0.5	-	0.3	0.1	0.6	0.2	0.1	0.0	0.0

Source: *ILCS 2008 and 2017*

In 2017, availability of centralized water supply in households did not significantly differ across quintiles of consumption aggregate and ranged between 96-98%.

Nevertheless, 12.7% of non-poor households, 12.6% of poor households and 8.7% of extremely poor households reported poor water supply services (Table 10.4).

Centralized sewerage system: More households had access to a centralized sewerage system in 2017, as compared to 2008 (69.8% and 66.7%, respectively) (Table 10.7).

Table 10.7 – Armenia: Access to Centralized Sewerage System, 2008 and 2017

(percent)

	Urban		Yerevan		Other urban		Rural		Total	
	2008	2017	2008	2017	2008	2017	2008	2017	2008	2017
Centralized sewerage system	91.1	97.8	96.5	98.7	85.5	96.9	19.0	25.3	66.7	69.8
Centralized sewerage system not operational	0.2	0.0	0.1	0.0	0.3	0.0	1.3	0.1	0.6	0.0
No sewerage system	8.7	2.2	3.4	1.3	14.2	3.1	79.7	74.6	32.7	30.2

Source: *ILCS 2008 and 2017*

With respect to the access to a centralized sewerage system, urban/rural differences were rather significant. Residents of Yerevan had almost universal access to a centralized sewerage system (98.7%). Other urban communities reported 96.9% accessibility of centralized sewerage systems, whereas in rural communities this indicator was 25.3% only. This is an important issue since availability of a sewerage system has strong implications in terms of proper sanitary conditions and healthcare.

Data on availability of a centralized sewerage system differentiated by quintile groups of consumption aggregate (Table 10.8) demonstrates that the richest fifth quintile group had better access to such systems than the poorest first quintile group (75.4% versus 65.8%).

Table 10.8 – Armenia: Availability of Centralized Sewerage System, by Quintile Groups of Consumption Aggregate, 2017

(percent)

	Quintile groups of consumption aggregate				
	I	II	III	IV	V
Centralized sewerage system	68.0	68.9	69.9	66.7	75.4
Centralized sewerage system not operational	0.0	0.0	.0.	0.1	0.1
No sewerage system	32.0	31.1	30.1	33.2	24.5

Source: *ILCS 2017*

Garbage disposal: In 2017, the share of households using centralized garbage disposal services (garbage collector system, disposal by truck, garbage piled up for disposal) increased in comparison with 2008 (91.7% against 80.9%) (Table 10.9). Urban communities and, in particular, Yerevan are relatively better served in terms of garbage disposal than rural communities, where households often rely on burning or burying garbage. A certain part of the households, particularly 31.3% of the extremely poor, 20.7 % of the poor, and 17.7% of the non-poor were dissatisfied with garbage disposal services (Table 10.4).

Table 10.9 – Armenia: Garbage Disposal, 2008 and 2017

(percent)

	Urban		Yerevan		Other urban		Rural		Total	
	2008	2017	2008	2017	2008	2017	2008	2017	2008	2017
Garbage collector system and/ or disposal by truck, garbage piled up for disposal	98.0	99.8	99.5	100	96.5	99.5	47.4	78.7	80.9	91.7
Garbage burned	0.8	0.2	0.1	0.0	1.5	0.4	31.9	16.2	11.3	6.4
Garbage buried	0.4	0.0	0.1	0.0	0.6	0.1	10.4	3.7	3.8	1.4
Other	0.8	0.0	0.3	0.0	1.4	0.0	10.3	1.4	4.0	0.5

Source: *ILCS 2008 and 2017*

10.3. Heating

Most of the surveyed households both in urban and rural communities reported to have heated their dwellings. In 2017, the share of such households was 99.4% (Table 10.10).

Households relied on the following types of fuel for heating: natural gas – 45.6% (against 57.1% in 2010), wood – 37.0% (against 25.8% in 2010), electricity – 11.2% (against 11.7% in 2010) etc.

In comparison with the previous year, the share of households using electricity for heating purposes decreased from 18.5% to 11.2%, whereas the share of households using wood for the same purposes increased. From 35.9% to 37.0%. Meanwhile, the share of households using other types of fuel for heating purposes increased, from 5.7% to 6.0%. As of 2017, 99.7% of households had electricity supply and 82.7% had centralized supply of natural gas.

Table 10.10 – Armenia: Heating Options, 2010 and 2017

(percent)

	Urban		Yerevan		Other urban		Rural		Total	
	2010	2017	2010	2017	2010	2017	2010	2017	2010	2017
Total	100	100	100	100	100	100	100	100	100	100
Not heated	1.7	0.8	2.4	1.1	1.1	0.6	0.5	0.2	1.3	0.6
Heated, *including by the use of the following options*	98.3	99.2	97.6	98.9	98.9	99.4	99.5	99.8	98.7	99.4
Central heating	0.4	0.2	0.1	0.3	0.7	0.0	-	0.1	0.3	0.1
Oil, diesel	-	0.0	-	0.0	-	0.0	0.1	0.0	0.0	0.0
Electricity	17.2	18.0	23.2	21.7	11.0	14.1	1.0	0.5	11.7	11.2
Natural gas	69.4	65.8	70.1	72.7	68.7	58.2	33.2	13.9	57.1	45.7
Wood	12.0	15.5	6.0	5.0	18.2	26.8	52.5	70.9	25.8	37.0
Other	1.0	0.5	0.6	0.3	1.4	0.9	13.2	14.6	5.1	6.0

Source: *ILCS 2010 and 2017*

In 2017, natural gas was the main option for heating of household dwellings (45.7%). Overall, natural gas remains the main heating option both in Yerevan and in other urban communities (Table 10.10), whereas rural communities still rely on wood as the main option for heating purposes.

As far as the types of appliances used for heating are concerned (Table 10.11), in 2017 the most commonly used options were both home-made ovens (42.3%) and local/ individual boiler (23.5%). The population in urban communities preferred local/ individual boilers (34.4%), as opposed to rural population giving preference for home-made ovens (83.5%).

Table 10.11 – Armenia: Types of Appliances Used for Heating, 2017

(percent)

|	Urban	Yerevan	Other urban	Rural	Total
Electric stove	7.4	10.3	4.3	0.4	4.7
Electric heater	10.3	11.1	9.5	0.1	6.3
Gas stove	1.0	1.1	0.9	0.0	0.6
Home-made oven	16.0	5.3	27.6	83.5	42.3
Factory-made oven	30.3	27.5	33.2	8.5	21.8
Local individual boiler	34.4	44.1	24.1	6.4	23.5
Local collective boiler (for the whole building)	0.2	0.0	0.3	0.1	0.2
Central heating	0.2	0.3	0.0	0.1	0.1
Other	0.2	0.3	0.1	0.9	0.5
Total	100	100	100	100	100

Source: *ILCS 2017*

In general, spending on utilities made up 14.6% of the average monthly consumption expenditures of households, whereas that on natural gas and electricity comprised, respectively, 6.0% and 5.3% totaling 76.7% of all utility expenses (Table A6.1 of Annex 3). Communication expenses comprised 4.3% in the average monthly consumption expenditures of households.

Comparative analysis of the shares of spending on different services within the average monthly consumption expenditures of non-poor, poor, and extremely poor households is presented in Graph 10.1.

In 2017, expenditures of non-poor households on utility services (monthly average per capita) were 4 times higher, and those on natural gas were 7.2 times higher than the same of the extremely poor households. In the same period, expenditures of the non-poor households on communication services (monthly average per capita) were 7.6 times higher than those of the extremely poor households.

Average monthly per capita spending on natural gas only constituted AMD 3136 for non-poor households, AMD 1288 for poor households and AMD 437 for extremely poor households.

Graph 10.1 – Armenia: Household Spending on Different Services within Total Consumption Expenditures, by poverty status, 2017

(percent)
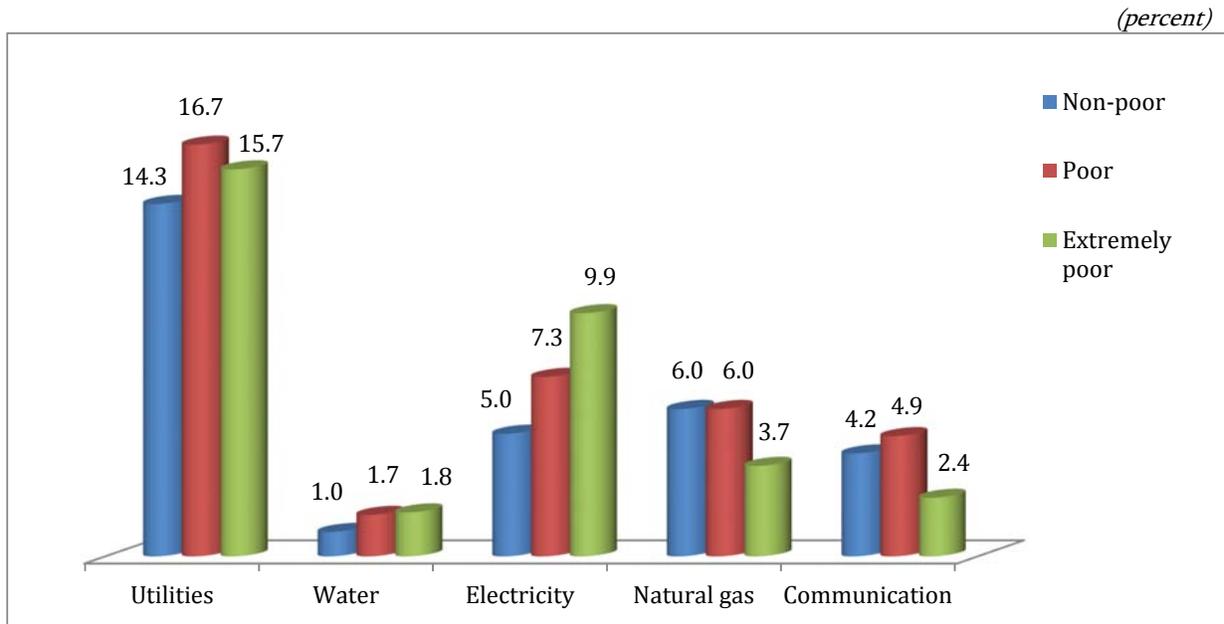
Source: *ILCS 2017*
Note: *Expenses on communication services include payments for telephone, telegraph, and Internet access*

10.4. Availability of Durable Goods

Armenian households reported owning durable goods, most of which was acquired a long time ago. Nearly all households, regardless of the type of community, reported having a TV set, and a substantially large number of respondents had a refrigerator, mobile phone, gas stove and washing machine.

In 2017, the most frequently purchased durables were TV sets, mobile phones, refrigerators, washing machines, gas stoves, vacuum cleaners and computers.

Table 10.12 – Armenia: Availability of Durable Goods, 2008 and 2017

(Per 100 households, percent)

	Total		Urban		Rural	
	2008	**2017**	**2008**	**2017**	**2008**	**2017**
TV set	98	99	99	99	98	97
Refrigerator	91	97	94	97	85	95
Washing machine	79	93	82	94	73	92
Vacuum cleaner	46	72	52	77	33	62
Sewing machine	42	46	41	45	45	46
Gas stove	86	91	89	94	80	86
Satellite dish	7	20	6	16	9	28
Mobile phone	72	97	75	97	68	97
Video camera	3	9	3	10	1	6
Photo camera	22	26	21	27	23	20
Computer	10	62	14	65	2	56

Source: *ILCS 2008 and 2017*

In 2017, 96.7% of population had mobile phones and 49% of population (66.6% in urban communities and 15.1% in rural communities) had landline telephone.

Over the recent years, the number of households having mobile phones sharply increased, especially among rural residents, where the share of such households in 2017 reached 97%.

According to the statistical reports of communication service providers, the number of active subscribers to mobile communication services was 3 488.5 thousand in 2017, which was a 1.0% decrease from the respective indicator of 2016 (3 434.6 thousand). Then, the number of subscribers with Internet access totaled 2 623.6 thousand, of which 2 329.3 or 88.8% through mobile connection.

Table 10.13 – Armenia: Accessibility of Computer and Internet Connection for Any Household Member over Last 3 Months, 2008 and 2017

(percent)

	2017		
	Total	**Urban**	**Rural**
Total households; *including*	100	100	100
Computer accessibility for any household member at any place*	64.6	68.3	58.7
Including at home	63.6	67.6	57.3
Internet accessibility for any household member at any place	64.7	68.1	59.4
At home, permanently and non-permanently	57.8	61.4	52.0
Elsewhere*; *including*	28.0	31.2	22.8
At work	3.5	4.8	1.4
At an educational institution	1.3	1.3	1.3
At others' home	3.0	3.3	2.5
At a (free) Internet access point	1.1	1.8	-
At a (paid) Internet access point	0.4	0.7	0.0
Via mobile phone or elsewhere via mobile device	24.1	27.0	19.5

Source: *ILCS 2008 and 2017*

Note: * *The sum total is greater than 100, since a household member might be using the computer both at home and elsewhere.*

In 2017, availability of computers in households was 64.6%., including 68.3% in urban communities and 58.7% in rural communities. The share of households with a member having access to Internet connection was 64.7% (Table 10.13), including 68.1% of urban households and 59.4% of rural households. Internet was accessible both at home and elsewhere. Particularly, 57.8% of households had permanent or non-permanent Internet connection at home.

The key findings on accessibility of Internet connection for household members, by gender and age of household member, are presented in Table 10.14. In 2017, Internet was accessible for 64.7% of household members, including for 66.3% of males and 63.4% of females (Table 10.14). Persons within the age group of 15-24 years had better access to Internet connection (94.2%):

Table 10.14 – Armenia: Accessibility of Internet Connection over Last 12 Months, by Gender and Age of Household Member, 2017

(percent)

	Total population	Gender		Age			
		Male	Female	<5	5-14	15-24	25+
Household members use the Internet	64.7	66.3	63.4	21.7	69.5	94.2	88.2
At home, permanently and non-permanently	57.8	59.3	56.5	20.7	61.5	73.5	57.7
Elsewhere; *including*	28.0	29.2	27.0	3.1	40.5	88.8	83.1
At work	3.5	3.7	3.7	-	0.01	2.6	4.6
At an educational institution	1.3	1.5	1.1	-	3.8	5.6	0.2
At others' home	3.0	3.0	2.9	1.0	3.7	4.5	2.7
At a (free) Internet access point	1.1	1.2	1.0	-	0.6	1.3	1.2
At a (paid) Internet access point	0.4	0.5	0.4	-	0.1	0.6	0.5
Everywhere, via mobile phone	24.1	25.4	22.9	0.6	15.1	51.5	23.1
Elsewhere, via mobile device	0.7	0.9	0.6	0.1	0.8	1.6	0.6

Source: *ILCS 2017*