

## *EU Regional Trust Fund in Response to the Syrian Crisis, the 'Madad Fund'*

### Action Document

#### 1. IDENTIFICATION

Title/Number	<b>Support for Syrian Refugees in Armenia</b>		
Total cost	Total estimated cost: <b>EUR 3,300,000</b> Total amount drawn from the Trust Fund: <b>EUR 3,000,000</b>		
Aid method / Method of implementation	Project Approach direct management – grant - direct award to Österreichisches Rotes Kreuz (OERK)		
DAC-code	43010	Sector	Multisector aid

#### 2. RATIONALE AND CONTEXT

During the First World War, Armenians had to seek shelter in present Syria. This resulted into an estimated 100,000 Syrians with Armenian ancestors predominantly living in Damascus, Aleppo and Latakia before the crises emerged. As an unprotected minority in Syria a significant number was forced to flee the conflict. It is a historic peculiarity that descendants of Armenian refugees are turning into Syrian refugees in Armenia.

The decision to create EUTF in response to the Syrian crises, the Madad fund decision was amended December 2015. This amendment included the widening of the geographical scope of the fund. With this amendment, the EUTF can operate beyond the immediate neighbours of Syria to *any other country in the region*<sup>1</sup>. Moreover, the amendment was also used to define the target groups of the EUTF. Hence, *the Trust Fund shall address the needs of three groups: refugees, internally displaced persons, and returnees, and provide assistance to the communities and the administrations in which those groups find themselves, as regards resilience and early recovery.*

With the geographical expansion and the definition of target group the EUTF has maintained its overall objective **to provide a coherent and reinforced aid response to the Syrian and Iraqi crises and the massive displacement resulting from them on a multi-country scale.**

Against this background, the situation in Armenia granted further attention and support from the EUTF. There is no centralised registry of persons displaced from Syria by the Armenian Government. An estimated 20,000 – 22,000 Syrian Armenians found shelter in the country since the start of the Syria crisis until recently. About 16.000 persons are presently remaining in the country. 14.000 people are in need of assistance and protection (UNHRC, 31 December 2016).

<sup>1</sup> Art 1 paragraph 5; C(2015) 9691 final.

The Armenian society thus far warmly welcomed refugees. Support was provided from their own scarce financial resources, while dealing with its domestic political challenges.

The government of Armenia undertook special measures for most of those who wanted to flee to Armenia, so-called *special means*. Respective included regulations such as authorising consular offices in Syria, Iraq and Lebanon to issue citizenship and passports (about 15,000 have become Armenian citizens), exemptions on state duties, and accelerated asylum procedures. For instance, 91 % of case load 2016 was granted accelerated asylum procedures.

The proposed action aims at **supporting the settlement and integration of Syrian refugees in Armenia in a timely fashion**. The program aims to deliver best practice examples in integration based on the unique openness of the Armenian Society to support Syrian Armenians. This also may have the potential to counter any radical rational or suggestions that migration further west would be a more viable option.

Moreover, the **biggest challenges** for Syrians arriving in Armenia are access to health care, to establish livelihood (housing and employment), and access to education.

## **HEALTH**

Armenia does have a limited, but not comprehensive public insurance system and the national budget for health is very limited.

Upon arrival in Armenia there is no general health screening of the Syrian-Armenians and the more recent arrivals are observed to have a poor health status since they have been living in a country of conflict for several years. Many of the Syrian Armenians are affected by experienced trauma and there is an urgent need for psychosocial support, for men, women and children.

In this context it is worth noting that the Armenian General Benevolent Union (AGBU) has recently opened a hospital that will provide free general health services in a newly built hospital.

## **HOUSING**

Syrian Armenians refugees are hosted in private accommodation. Renting fees for adequate housing are very high in Yerevan where most of the refugees reside. Many Syrian refugees are not able to afford an adequate housing for their families without housing subsidies.

30% of Syrian Armenian have decided to quit Armenia after arriving to Armenia, and one of the key reason for their departure is lack of affordable accommodation. This is critical in particular for well-trained Syrian refugees who could have positively participated to the development of Armenia, but decided to move to Europe or North America.

## EMPLOYMENT

The country's economic situation<sup>2</sup> may not allow for easy absorption of refugees in the Armenian labour market (*Quote: those who had money were fleeing to Europe; those without came to Armenia*).

Syrian Armenians are confronted with a labour market which suffers already with unemployment rate as high as 18.5 % in 2015<sup>3</sup> and low wages. Unofficial estimations regarding the unemployment rate in Armenia are even higher. In addition, Syrian Armenians also are struggling to adapt their skills to the local needs.

## EDUCATION

Kindergarten and school education is free of charge for everyone in Armenia. However, additional courses in languages, sports and/or cultural activities as well as university education are not. There is a need for further language training to quickly integrate Syrian Armenians into the national curriculum as well as to provide financial support for tertiary education. English, Russian and Armenian language courses are necessary to facilitate access and progress in the educational system as well as to promote social cohesion activities.

### 2.1. Summary of the action and its objectives

The **overall objective** of the program is to assist and strengthen the resilience of Syrian refugees and vulnerable host population in Armenia.

The **specific objectives** are

- To improve access to health and psychosocial services of refugees in Armenia
- To improve housing condition and access for Syrian Armenians.
- To increase access to economic opportunities in general and the labour market of refugees in particular to foster positive dynamics
- To facilitate integration of schoolchildren and students into the national educational system, targeting Syrian refugees

### 2.2. Context

#### 2.2.1 Country context, if applicable

Armenia – a country with about 3 million inhabitants - is the 3<sup>rd</sup> biggest recipient of refugees from Syria per capita<sup>4</sup>. Nevertheless, based on Armenia's own history of violent conflicts and displacement, society has provided arriving Syrians a warm welcome.

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<sup>2</sup> i.e. 3,156 GDP per capita; EU 28 average is 28,700 (2015) source [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Gross\\_domestic\\_product\\_\(GDP\),\\_2005%E2%80%9315\\_ENPE16.png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Gross_domestic_product_(GDP),_2005%E2%80%9315_ENPE16.png)

<sup>3</sup> Source EUROSTAT 2015: [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Unemployment\\_rates\\_\(persons\\_aged\\_15%E2%80%9374\),\\_2005%E2%80%9315\\_\(%25\\_of\\_labour\\_force\)\\_ENPE16.png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:Unemployment_rates_(persons_aged_15%E2%80%9374),_2005%E2%80%9315_(%25_of_labour_force)_ENPE16.png)

<sup>4</sup> [Economist](#)

Armenia is one of the few countries that has and still is repatriating Syrian Armenians from the crisis affected region as well as from European countries. Considering the challenges that Armenia faces in terms of its own social economic situation, the integration of currently around 20,000 refugees provides a formidable challenge.

In addition and as a result of the escalation of the Nagorno-Karabakh conflict between Armenia and Azerbaijan in the early days of April 2016, some new displacement occurred in Armenia.

### **2.2.2 Sector context: policies and challenges**

Unlike other countries hosting Syrian refugees, the only entry for Syrian Armenians is Yerevan International Airport/ Zvartnots International Airport. There are no crossings via Turkey possible as the borders between Armenia and Turkey are closed.

## **HEALTH**

It is appropriate to say that Syrian Armenians arriving in Armenia had in the past better financial means and were less distressed. Now newcomers arrive in a worse psychological state and are often strongly traumatised having survived armed attacks and seen their homes destroyed.

It is also reported that 67 % of Syrian Armenian children and youth are experiencing psychosocial challenges when adjusting to their new environment and 53 % of them are affected by emotional stress<sup>5</sup>.

The access to polyclinics is free of charge and there is a partial state funding system for standard medical treatment in case of chronic diseases or basic surgeries. However, it seems the support stops once the budget is exhausted.

There is a possibility for additional funding from the Ministry of Diaspora/Healthcare on more severe health issues and this is decided on a case by case basis and often only covers part of the treatment.

Any kind of special medication, complex surgeries or post-operative therapy are not included in the funding system and must be paid privately. This is an extremely high burden, especially but not limited to the Syrian-Armenian population who already struggle with low employment and high living costs.

## **HOUSING**

Armenia does not have a public rental subsidiary system. In conjunction with low salaries and high living costs, Syrian Armenians have severe difficulties to cover rental fees and secure sustainable housing for them. Against this background, the Ministry of Diaspora has made several attempts to solve the housing problematic but has yet failed mostly due to the lack of funding.

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<sup>5</sup> IOM; International Centre for Human Development (ICHD) studies and a survey conducted by world Vision Armenia

Some donors have provided funding for subsidies but the supply is still outmatched by the demand and in particular Syrian Armenian households are still in need for renting subsidies. It is hoped that the policy dialogue with the government to identify possibilities to provide for long term housing solutions will bear fruits in future.

## **EMPLOYMENT**

The unemployment rate for young people in Armenia is around 50 %<sup>6</sup>. Even though a high-skilled work potential in the fields of entrepreneurship, handcraft, gastronomy or engineering is brought by Syrian-Armenians, there is the basic challenge of a narrow market. In addition, Armenian authorities do not recognise diplomas of Syrian-Armenians and many well-educated refugees work in cafes and restaurants and other service sector jobs much below their qualifications

This results into a lack of employment opportunities or financial means to start new businesses. Even for those in employment, the low wages cannot necessarily cover living costs. In order to address these challenges, access to finance for small and medium business, professional counselling and vocational training as well as provision of financial support for Syrian Armenian entrepreneurs and their local host population is advised.

## **EDUCATION**

Primary and secondary education is free of charge in Armenia. Moreover, there is a need to facilitate the integration into the formal educational system.

Tuition fees in Armenia are high and the student support systems are comparably underdeveloped. Armenia is closer to the OECD 3rd group of countries, having high tuition fees and less-developed student support systems.

Only up to 20% of all students in Armenia get State support for their tuition fee payments in the form of full or partial reimbursement of the tuition fee (through state scholarships). Since the 2012-13 academic year government started to provide 50% to 100% tuition fee reimbursement (on need-based criteria only) to the students whose families are registered in the State System of Family Benefits.

Higher Educational Institutions in Armenia also provide financial support to students both on merit-based and need-based principles (with the majority on a need-based principle) in a form of tuition fees discounts. The rest has to be covered by the student or his/her family.

As a result 75 % of university fees are subsidized (1/3 by the government and 2/3 by organizations) and the rest has to be covered by the student or his/her family.

Provided that Armenian, Russian and English languages are necessary for the Armenian education system, there is a need for additional language training for Syrian Armenian pupils and students.

### **2.3. Lessons learnt**

- The program design has to take into account the overall welcoming environment climate for Syrian refugees and the implications of an ongoing international

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<sup>6</sup> IOM report

conflict with potentially more IDPs from Nagorno-Karabakh as well as the weak economic outlook with high unemployment.

- With limited reliable statistics, flexibility needs to be built in to quickly react to changing circumstances for example shifting refugee numbers. This is also indicated with the unclear outlook of the Syrian crisis itself.
- Families are not living in refugee camps but rent flats, mainly in the city of Yerevan. This urban setting is crucial in the design of the activities related to housing, health, employment and education.
- Coordination needs to be addressed in the program design and for example a well organised information desk or “One-Stop-Shop” could improve coordination between actors supporting Syrian Armenians and vulnerable host population.
- A comprehensive program for Syrian Armenians and the most vulnerable host population – including IDPs from Nagorno-Karabakh – has to include social workers and inter-sectorial support

#### **2.4. Complementary actions**

There are ongoing projects funded by the EU, UNHCR and the GIZ to assist Syrian Armenians in the country:

- EIDHR funded project of the Austrian Red Cross and Armenian Red Cross Society to support integration of Syrian refugees in Armenia (0.4 million) to increase human rights based integration, raise public awareness, enhance labour market chances for Syrian refugees and support school integration; ending March 2017
- EIDHR funded project of the Caritas Austria and Armenia for Armenia and Lebanon. 0.3 million investment in Armenia to advocate the rights of asylum seekers and refugees and to enhance the abilities of migrants (incl. asylum seekers and refugees) to access their rights and to prevent negative impacts resulting from migration; started end of 2016
- UNHCR is funding legal assistance and emergency housing
- Oxfam provides Emergency Housing Assistance to Armenian families displaced from Syria – to address the immediate housing and psycho-social needs of vulnerable refugee households, displaced from Syria, in Armenia and to contribute to the development of long term housing and employment for refugee populations.
- GIZ provides support to Syrian refugees on economic integration issues including to entrepreneurs (*N.B. GIZ faces challenges in this regards i.e. difficulties and expenses related to import of raw materials [e.g. for Aleppo soap]*)

#### **2.5. Donor co-ordination**

Donor Coordination on Migration related matters operates since 2008 under a general umbrella of Development Aid Coordination (co-chaired now by Armenian Government and UN). Moreover, the overall coordination for Syrian Armenian issues is entrusted with the inter-departmental commission (presided by Ministry of Diaspora) and the UNHCR.

As of 2015 the donor coordination group is co-chaired by IOM and UNHCR and deals with Migration and Asylum matters/projects in Armenia. Coordination of counter-trafficking related matters also falls also under this thematic group. This group meets on quarterly basis, the main aim of this group is to exchange information to ensure synergies and exclude duplication of activities. Co-chairs also manage thematic discussions (e.g. return/reintegration, migration and Sustainable Development Goals) to exchange views and approaches.

In February 2013 the Armenian Prime Minister issued an order to create the inter-departmental commission tasked with coordinating the response for Syrian-Armenians. Member of the Commission are the main governmental and non-governmental stakeholders (22 Ministries and state agencies, Municipality, Central Bank, and about 12 Foundations and NGOs). The commission assemble regular meetings and requests updates as well as is sharing information of interventions implemented by its members. The information is collected and processed by the Ministry of Diaspora.

In the context of this program a close co-ordination with Diaspora organisation (such as AGBU) is sought which in turn are significantly engaged in the field Health and Educational subsidies for Syrian Armenians.

### **3. DETAILED DESCRIPTION**

#### **3.1. Objectives**

The **overall objective** of the program is to assist and strengthen the resilience of Syrian refugees and vulnerable host population in Armenia.

The **specific objectives** are :

- To improve access to health and psychosocial services of refugees in Armenia
- To improve housing condition and access for Syrian Armenian
- To increase access to economic opportunities in general and the labour market of refugees in particular to foster positive dynamics
- To facilitate integration of schoolchildren and students into the national educational system, targeting Syrian refugees

#### **3.2. Expected results and main activities**

The indicative program might include a set up and operation of a one-stop-shop for information on welfare, health, housing, education, job and business opportunities as well as provide services on legal issues.

Moreover, the establishment of network of social workers to link activities for Syrian Armenians and vulnerable host population to accompany families during the integration process and ensure the coordination of different international and local actors assisting Syrian Armenians ensures a comprehensive approach.

The following indicative activities and results are foreseen:

### **Improved access to health and psychosocial services of refugees in Armenia**

- Provide home care for elderly and disabled
- Provide psycho-social support for traumatized refugees

### **Loan subsidies schemes for instance social housing programme in partnership with different stakeholder that respond to the identified long-term housing needs are set up.**

- develop pilot programme in partnership with suitable financial institutions to support long term access to finance to housing for Syrian refugees
- prepare programme for social housing that could respond to long term needs of Syrian Refugees and pilot this approach

### **To increase access to economic opportunities in general and the labour market of refugees in particular to foster positive dynamics**

- Provide Vocational Training for refugees in accordance with market demand
- Open an information desk for job counselling and legal assistance to unemployed refugees incl. database provision
- Provide business development services and organise financial support to refugees for creation of small businesses
- Provide specific financial support for target group to establish sustainable business models
- Support the development of Syrian Refugees involvement in business consulting activities building on their knowledge of the middle eastern markets

### **Strengthen integration of schoolchildren and students into the national educational system**

- Provide Russian, English and Armenian language classes
- Organise inclusion activities in schools
- Provide seed grants for social cohesion initiatives
- Provide financial support for university fees, school classes and school material
- Organise pedagogic school support for target group
- Engage school children and their peers into volunteering activities

The action aims to support a total of 9,000 refugees and vulnerable host population (6,000 refugees and 3,000 vulnerable host populations) in Yerevan and 6 regions (Kotayq, Aragotsotn, Ararat, Armavir, Shirak and Lori). An additional 300 local staff and volunteers as well as 2,000 children, youth and teachers will be trained on different subjects.

### **3.3 Risks and assumptions**

#### **Risks:**

- Armenia is party in a conflict with Azerbaijan concerning Nagorno-Karabakh. Although the conflict may be described as frozen, eruptions are a constant risk



- Low level of involvement and commitment of host government, agencies and host communities
- Obstacles to access labour market and generate income for Syrian Armenian Refugees remain
- Further Migration to third countries which could reinforce the sense of instability.
- School children are indoctrinated against integration of Syrian Armenians and refuse to participate or are not interested in joint activities.

The main assumptions are:

- Stable security conditions and no further deterioration of the relation of Armenia with its neighbours
- Stable political framework inside Armenia and not further deterioration of the economic situation
- Continuous acceptance of refugees by host communities and host government
- Governmental authorities and public and private stakeholders remain supportive towards the assistance to Syrian Armenians
- With sustainable stabilization of the situation in Syria and especially in and around Aleppo, refugees may want to return home.

Mitigating measures will be further defined in the actual projects, but have been already taken or will be considered, including:

- Ongoing participatory dialogue and close observation of national and regional situation as well as the developments inside Syria to allow early detection and steering measures
- Contingency planning for inclusion of Nagorno-Karabakh IDPs in case of an escalation of the conflict between Armenia and Azerbaijan
- Regular coordination with all stakeholders to enable a common advocacy strategy and together with the Ministry of Diaspora.

### **3.4 Cross-cutting issues**

A number of cross cutting issues have been identified.

#### **Gender**

A large majority of the Syrian refugee population in Armenia are women and children. Many have arrived without their husbands and elder sons; according to testimonies many of the male family members are working or establishing/continuing business activities in other countries. Some organisations have tried to target the women in educational (language), cultural orientation and employment/income generating activities.

The project will facilitate the economic integration of women in the local market. Many of them did not work in Syria or had economic activities at home but shall now work in Armenia to contribute to the family income.

Especially men and household leaders should profit from psycho-social support. Traditionally in society, men are responsible to mainly contribute to the family income and the family well-being. Having fled their homes, their role often has changed due to

loss of homes and houses, loss of income etc. Therefore, they find themselves not only in a new geographic environment in Armenia but need to redefine their roles in family and the new society.

### **Imprisonment at the Border**

The Syrian refugee population in Armenia is largely ethnic Armenian and Christian. There are no reports of radicalised Syrian youth; however, the problem is rather opposite that many (likely innocent) Syrians of Muslim descent are imprisoned on illegal entry (via the land border with Turkey) and arrested for this or for suspected association with enemies of the Armenian state (primarily Azeri). UNHCR will engage the Human Rights Defender (Ombudsman) in strengthening their work on the rights of asylum seekers and refugees in Armenia, including expanding prison monitoring/visits to this group of inmates.

### **Migration**

Many Syrians are known to utilise Armenia as a transit country for onwards settlement. It seems to be mainly men who have either applied for asylum in other countries or have utilised the access to an Armenian passport through a naturalisation process to apply for work visas e.g. in the Gulf region or further afar.

The programme is designed as support refugees and host population. It tackles the most important needs of Syrian Armenians and vulnerable host population, namely health, housing, employment and education. It takes into account challenges such as

- (1) return to the home country of refugees in case of stabilization of Syria,
- (2) Armenia as transit country in case of lack of economic opportunities,

### **3.5 Stakeholders**

The following stakeholders have been identified:

- EU Member States contributing to the Trust Fund;
- Armenian government, especially Ministry of Diaspora, Education and Science, Healthcare, Social Affairs and Labour and the state Migration Service
- Donors, international and local stakeholders working with and for Syrian Armenians (including Diaspora organization such as AGBU)
- Final beneficiaries: Syrians residing in Armenia and vulnerable host population

## **4. IMPLEMENTATION ISSUES**

### **4.1 Financing agreement**

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

## 4.2 Indicative operational implementation period

The indicative operational implementation period of this action, during which the activities described in section 3.2 will be carried out is 36<sup>7</sup> months from adoption of this Action Document by the Operational Board.

## 4.3 Implementation components and modules

A direct award of a grant to the consortium under the leadership of Oesterreichisches Rotes Kreuz (OERK) is foreseen. The direct award is considered justified for the EUTF for reasons of timing, maturity of the program and credibility of the partners. OERK has a vast experience in implementing projects on housing and education support and works in consortium with other implementing partners with explicit core expertise in this particular field.

The EUTF is a conflict, post conflict tool which aims at early resilience interventions to support target groups as well as prevent further deterioration of the situation of refugees and host communities. The program presented will reach the necessary maturity in terms of planning and engagement rather soon. That would result into implementation in a timely manner.

Finally, the proposed consortium has not only already successfully submitted a Concept Note to the Fund but also was tested against a first quality check, confirming the experience of the lead agency in the field and its experience with EU funding.

## 4.4 Indicative budget

<b>Module</b>	<b>Amount of total budget</b>	<b>Third party contribution</b>
Grants, direct management	3,300,000	300,000
<b>Total</b>	3,300,000	

- The costs of Evaluation and audit and Communication and visibility will be included in the projects' budgets and/or contracted separately via service contract(s).

## 4.5 Performance monitoring

Monitoring shall be ensured primarily through EU Delegations in-country and in particular with the assistance of specific Trust Fund field & liaison officers posted within the EU Delegations. In addition, the EU Trust Fund is planning to launch an independent M&E exercise to accompany all Fund programmes and ensure that targets are met and lessons learnt can be incorporated into other EUTF actions.

The purpose of the Madad EUTF Monitoring and Evaluation Framework would be to assess, across various levels, the degree to which the Overall Objective of the Trust Fund has been achieved.

The Madad Trust Fund M&E Framework will assess the effective delivery of programmes, contribute to improved project design, and develop a knowledge base of

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<sup>7</sup> The implementation period of the contract must remain within the duration of the Trust Fund (currently 15 December 2019).

'what works' to allow for continuous improvement of aid delivery. Above all and in the spirit of the Agenda for Change, the Madad Trust Fund M&E Framework aims to ensure upward and downward accountability and transparency of EU support towards the Madad Trust Fund Board and end beneficiaries, respectively.

The Trust Fund and actions financed by it are subject to the monitoring and evaluation rules applicable to EU external programmes, in order to ensure the respect of the principles of economy, efficiency and effectiveness, as per Article 13 of the Agreement Establishing the Madad Trust Fund.

#### **4.6 Evaluation and audit**

Projects shall carry out an obligatory final evaluation, and one external audit per year. Whenever possible, evaluations will be jointly carried out by partners. This will also contribute to harmonise further and higher education support to Syrian refugees and to the host countries in the region, in order to make technical co-operation more effective in line with current EU guidelines.<sup>8</sup>

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts.

#### **4.7 Communication and visibility**

While communication and visibility of the EU is a legal obligation for all external actions funded by the EU, to date the visibility of the EU's support to the Syrian crisis, in particular in neighbouring countries affected by the crisis, has been insufficient. The public perception is that the EU is not addressing the Syrian crisis, when in fact it is the largest donor. The lack of visibility to the EU's actions weakens the EU's political traction in the region and its standing in Europe.

Therefore, communication and visibility is an important part of all Madad Fund programmes factored into the implementation in order to underline its importance at all stages of the planning and implementation of the Programme.

All visibility actions by Madad Fund implementing partners outside areas of conflict should be stepped up. Each implementer will have to draw up a comprehensive visibility and communication plan for their respective target country/community and submit a copy for approval to the Madad Fund and relevant EU Delegation. The related costs will be covered by the budgets of the contract as part of the project.

The measures shall be implemented by the implementing consortium/ia, its contractors, and/or its grant beneficiaries. Appropriate contractual obligations shall be included in, respectively, procurement and grant contracts.

The Communication and Visibility Manual for European Union External Action together with specific requirements to highlight the Madad Trust Fund shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

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<sup>8</sup> EC Guidelines No. 3, *Making Technical Co-operation More Effective*, March 2009.