



Local Development Fund:
Stories from Communities
of Armenia



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Yerevan, 2026.



Davit Khudatyan

Minister of Territorial Administration and Infrastructure of the Republic of Armenia

I am pleased to present the results of development initiatives implemented in various municipalities of Armenia, which are aimed at ensuring balanced territorial development and improving the quality of public services.

The projects cover a number of important areas: tourism development, promotion of agriculture, improvement of access to healthcare services, modernisation of educational and sports infrastructure, as well as investments in the renewable energy sector. They were implemented in cooperation with local self-government bodies, state institutions and international partners.

As a result of the work carried out, infrastructure in municipalities has been significantly improved, access to and quality of services have been expanded, and new opportunities have been created for residents. These changes are visible in people's everyday lives - more accessible services, improved conditions and new prospects for development.

We also consider it important that communities actively participate in the decision-making processes. Co-financing and cooperation mechanisms not only contribute to the effective implementation of projects but also form a culture of responsibility and partnership.

It is a priority for us to continue investing in the development of community infrastructure, expanding access to public services, protecting the environment and stimulating local economies, ensuring sustainable and long-term results.

We are confident that through consistent work and joint efforts, it is possible to have developing, competitive and viable communities, where people have a real opportunity to live, create and build their future.

Such initiatives show that through consistent work and cooperation, community development turns into a real change in the quality of people's lives. Every developed community is the foundation of a stronger and more sustainable Armenia.



Claudia Busch

Ambassador of the Federal Republic of Germany to the Republic of Armenia

Strong communities are the heart of a democratic, prosperous and resilient country - this is why strengthening the local governmental level is a fundamental principle of Cooperation of the Federal Republic of Germany here in Armenia.

Across the country, local actors are finding practical and creative solutions to address everyday challenges - improving services, creating opportunities and making their towns and villages better places to live. Their commitment is to the citizens of today and the generations to come, in unity with the rural needs, customs and tradition which have shaped Armenia's identity for centuries.

I am delighted to present today this publication which illustrates how German support for those local ideas, combined with people's voluntary engagement, initiatives and cooperation, can produce meaningful results for the future of Armenia. Whether through modernised public facilities, improved healthcare services, energy-efficient cost-saving solutions or new meaningful opportunities for young people, these initiatives show how even small investments can generate lasting and sustainable benefits for communities.

Germany as a long-standing partner in decentralisation and community development is pleased to support these efforts through GIZ with co-financing from the Swiss Government and in close cooperation with the Ministry of Territorial Administration and Infrastructure of Armenia. Our shared objective is to enable municipalities and local stakeholders to implement solutions that respond to their economic and development needs.

Besides their tangible improvements, these initiatives also demonstrate the value of democracy, dialogue, participation, partnership and shared responsibility. They reflect the dedication of many people - local authorities, professionals, community members and partners - who work together to turn ideas into reality.

Germany remains committed to supporting Armenia in strengthening vibrant, forward-looking, inclusive communities- for now and future generations.



Andrea Barbara Baumann

Ambassador of Switzerland to the Republic of Armenia

Sustainable local development is strongest when it grows from the ideas, energy and participation of the communities themselves. Across Armenia, local authorities along with the residents, civil society and private sector organisations are working together to shape solutions that respond to their shared needs and aspirations.

The stories presented in this publication demonstrate how active community engagement can transform local initiatives into meaningful and lasting improvements. What makes these experiences particularly inspiring is the spirit of cooperation behind them. This collaborative approach not only strengthens local ownership of development initiatives but also fosters trust, solidarity and a sense of shared responsibility. This resonates with Switzerland's own experience, where participatory governance, local decision-making and shared responsibility between citizens and public institutions have long been central to sustainable and inclusive development.

Switzerland supports these efforts through GIZ, jointly with the German Government and in partnership with the Ministry of Territorial Administration and Infrastructure of the Republic of Armenia. By encouraging participatory decision-making and co-financing mechanisms, the initiative helps ensure that development solutions are shaped by the people who know their communities best. We look forward to seeing more and more communities in Armenia benefitting from this approach.

About the Local Development Fund

Local development is most effective when it reflects the real community needs, and the aspirations, resilience and initiative of the people it aims to serve. Across Armenia communities are demonstrating that combining local vision, collaboration and targeted support can lead to tangible and lasting change, turning local strengths into sustainable income and jobs.

The stories presented in this publication illustrate how community-driven ideas can transform everyday life. These initiatives are not only investments in infrastructure; they are investments in trust, cooperation and municipal innovation, creating spaces where citizens can actively participate in decisions about their communities. They show how local authorities, residents and private organisations - in cooperation with international partners - can work together to unlock economic potential, improve public services and respond to community needs. The result of this shared commitment is visible: better services, new businesses, fair opportunities and an improved quality of life.

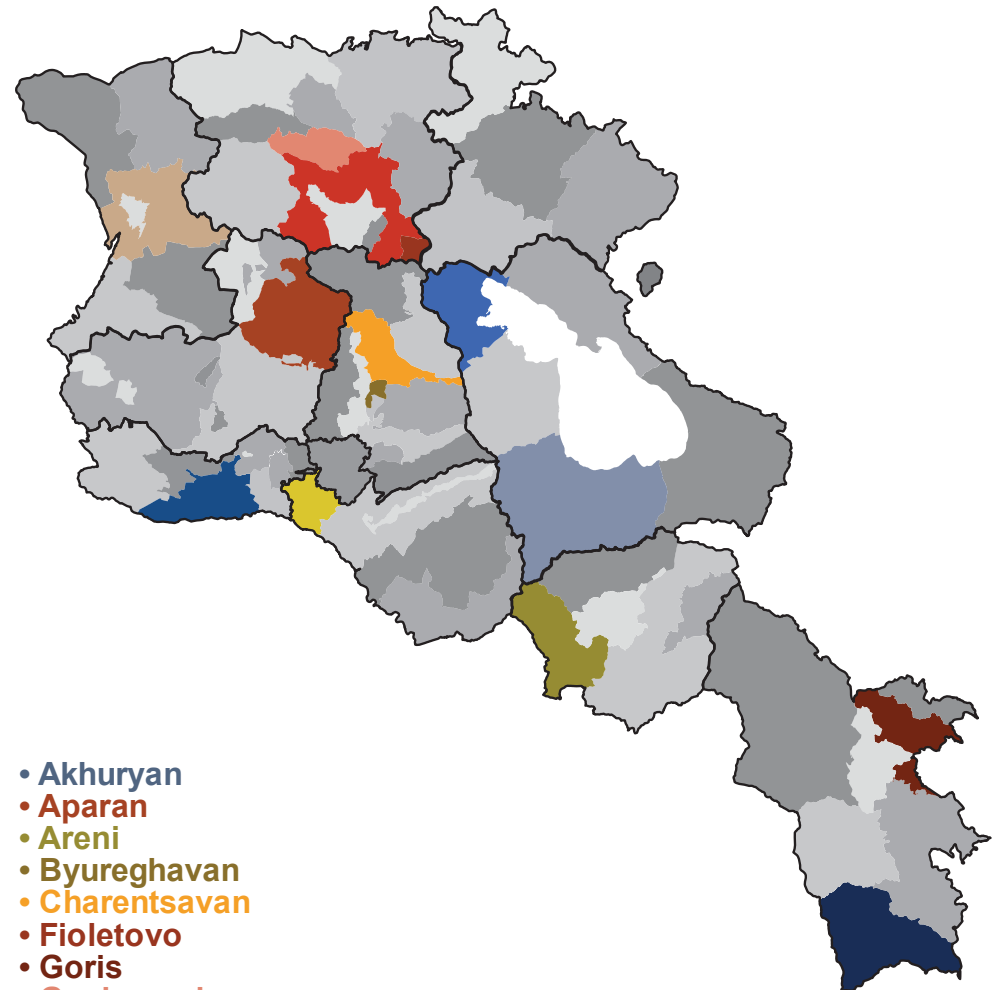
This publication reflects only some of the success stories achieved by the Local Development Fund (LDF), a cross-project initiative that aims to foster inclusive and sustainable socio-economic development in Armenian communities.

The LDF is financed by the German and Swiss Governments and implemented by GIZ, in partnership with the Ministry of Territorial Administration and Infrastructure of the Republic of Armenia.

Since 2021, the LDF has been supporting locally driven initiatives that create income and jobs in the regions of Armenia and spaces where citizens can participate in decisions about their communities. 46 projects have been completed, while 23 are currently in progress in all regions of Armenia. Among other things, the Local Development Fund contributed to the creation of 228 jobs and improved farming opportunities for 2,800 households.

GIZ is proud to support communities so that decisions about schools, roads, and public spaces reflect citizens' voices and contribute to long-term resilience and prosperity.

Stories from the Following Communities of Armenia



- Akhuryan
- Aparan
- Areni
- Byureghavan
- Charentsavan
- Fioletovo
- Goris
- Gyulagarak
- Martuni
- Masis
- Meghri
- Pambak
- Sevan
- Vagharshapat



Akhuryan

Solar Power Ensures Year-Round Operations at Kindergarten of Basen

Lusine Gevorgyan, a mother of three, works as a pedagogue's assistant at the kindergarten in Basen, a settlement in Armenia's Akhuryan municipality. While all her children attended this kindergarten, only her youngest can now fully benefit from the improved conditions.

"My older children could only attend the kindergarten during the warmer months, which disrupted their routine. Today, the kindergarten operates all year round, and my youngest child enjoys a warm, comfortable and stable learning environment," says Lusine.



Akhuryan is one of Armenia's largest consolidated municipalities, comprising 35 villages with diverse needs. Ensuring the smooth operation of municipal institutions, particularly kindergartens, has long been a challenge. In Basen, the lack of gas supply meant the kindergarten relied entirely on electricity for heating and hot water, accumulating an annual electricity cost of approximately 4,000 EUR and forcing seasonal closures during winter months.

To address this, the municipality developed an innovative and sustainable solution: installing solar photovoltaic systems on kindergarten buildings. The project was supported through LDF and co-funded by Akhuryan municipality.

The photovoltaic system installed at the Basen kindergarten now provides reliable heating and hot water throughout the year. As a result, children from Basen and nearby villages have continuous access to pre-school education, and kindergarten staff can retain their jobs during winter months.



“Before, most kindergartens in our municipality could only operate seasonally due to high electricity costs. Solar energy has changed this reality, and the Basen kindergarten now covers almost all its energy needs sustainably,” says Sofia Hovhannisyan, responsible for pre-school education in Akhuryan municipality.



Manik Hovhannisyan, principal of Basen since its foundation in 2011 says, “Prior to solar installation, heating was insufficient and electricity use was restricted. Today, all rooms are warm, energy savings extend through May, and financial savings funded renovations of two rooms and a corridor.”

Beyond education, the project delivers environmental benefits by reducing the municipality’s carbon footprint. Building on this success, Akhuryan municipality partnered with the private sector to install solar-powered street lighting combined with fiber-optic internet infrastructure in Basen.

By combining renewable energy, local partnerships and forward-looking planning, the project demonstrates how sustainable solutions can strengthen services, improve quality of life and support socio-economic development in rural communities.

Energy savings have also allowed the municipality to reinvest in improving the kindergarten’s facilities, expanding its capacity and creating more space for children.



The kindergarten of Basen



Aparan

Guesthouse Chain Boosts Tourism in Aparan

Aparan's growing tourism story began with a simple but powerful idea shared by residents – to establish a guesthouse chain thus unlocking the community's guesthouse potential. This initiative came true with the support of the German and Swiss governments and the municipality of Aparan.

"A long-cherished childhood dream turned into a real goal and finally came true," says Meri Karapetyan, one of the beneficiaries. "With this support, I was able to establish a tent camp and contribute to tourism development in my village. My aim is to offer cultural, educational and eco-camping experiences."

Being an active citizen of the community, Meri together with other active community members proposed this idea to the local authorities. Recognising strong local interest in boosting tourism and economic development in Aparan through establishment of guesthouses, Aparan municipality prioritised the initiative and submitted a proposal to the Local Development Fund to create a network of guesthouses. The project resulted in 11 new hospitality businesses, improved tourism promotion tools and a new culture of cooperation between the public and private sectors.



Guesthouses in Aparan

"We managed to build trust, create partnerships and introduce a new way of working together," says Eleonora Mirzoyan from Aparan municipality. "This cooperation has significantly strengthened our capacity to develop and implement local initiatives."

The impact is already visible. "Previously, hosting large groups of tourists was a major challenge due to limited accommodation," explains Deputy Mayor Hrayr Mkrtychyan. "Today, we can host up to 150 guests in Aparan and nearby settlements, including international visitors attending cultural events such as our annual sculptors' symposium."



Guesthouses in Aparan

Beyond tourism, the guesthouse chain has strengthened community resilience. In off-season months, several guesthouse owners provide free or affordable accommodation to families displaced from Nagorno-Karabakh - demonstrating how local economic development can also respond to social needs.

Melik Khachatryan runs a guesthouse in Aparan. With the approved funding, he procured kitchen furniture, a couch and a small table for the guesthouse. **“The inflow of tourists is mostly seasonal, the demand for the guesthouse is usually higher during the summer months. Currently, for the winter season, I am giving it out free of charge to a family from Nagorno-Karabakh,”** says Melik. However, with the development of local infrastructure for the winter season, the demand for accommodation has been increasing.

Through shared vision and partnership, Aparan has turned local initiative into lasting impact - boosting tourism, strengthening cooperation and supporting the community when it matters most.





Areni

Areni Municipality Expands Access to Inclusive Sports in Aghavnadzor

Fourteen-year-old Mari, a devoted football fan in Aghavnadzor settlement of Areni municipality, had long been dreaming of going in for football, hopeful she might one day join a football team and compete in championships.

Yet for years, the children and youth of Aghavnadzor and neighbouring villages within the Areni community - particularly those from six border-adjacent settlements - faced limited or no access to proper sports facilities. The lack of infrastructure affected not only physical activity and well-being but also deprived young people of opportunities for community engagement, personal development, and social inclusion.

In 2024, a long-abandoned hangar in Aghavnadzor was transformed into a fully renovated, modern sports hall. Today, it provides a safe and accessible environment to around 400 children and young people from nine villages in the Areni community, including those from the border settlements.



Mari always dreamed of becoming a footballer.

Mary was among the first to start attending football classes at the sports hall. **“Football is my passion - I like playing, not just watching,”** she says. Her sister Lucy, an avid Real Madrid fan, never misses a game and dreams of cheering for Mari from the sidelines one day.

“Before, we didn’t have a place to train, and many kids just stayed home or practiced outdoors when the weather allowed. Now, we have a hall and proper equipment that can help us grow award-winning athletes,” says Arsen Shahinyan, a physical education teacher at local school.

This transformation was made possible through the support of the German and Swiss Governments and Areni Municipality.



Representatives of the Embassies of Germany and Switzerland in Armenia, as well as the Vayots Dzor Regional Administration, participated in the opening of the sports hall.



Just a year ago, many in Aghavnadzor doubted the project would ever come to life. When construction began, excitement rippled through the community.

Arsen, 33, a father of four, viticulture farmer, and former athlete, recalls the village's rich sports history. **"Aghavnadzor was once the second most active sporting village in the region. We had great athletes and even a stadium and a pool - now all in ruins. I was ready to invest my energy to help rebuild this legacy for my children and the youth of our village."**

Now, Aghavnadzor is rewriting its story. What was once an abandoned hangar is now a place of energy, laughter, teamwork, and ambition.

This project is not just about building a sports hall - it's about restoring traditions, nurturing dreams, and proving that even in the most remote corners, change is possible when a community comes together, making the future of Aghavnadzor's youth brighter, stronger, and progressive.

The sports hall before and now

Inclusivity was at the core of the renovation. The facility was designed and equipped to accommodate children with disabilities, ensuring that every young person - regardless of physical ability - has access to quality sports and recreation. To bridge transportation barriers, the municipality organised minibus routes, with partial contributions from parents, making the sports hall accessible even for the most remote families.



Byureghavan

A Timely Diagnosis: Strengthening Healthcare in Byureghavan

In the quiet town of Byureghavan of Kotayk region, local watchmaker Rafik Galustyan spends his days repairing timepieces with precision and care. But one afternoon, his routine was unexpectedly interrupted when his finger got jammed while fixing a watch.



“I could hardly move my finger,” Rafik recalls. **“I came straight to the polyclinic, and they immediately sent me for an X-ray. Everything was done so quickly and professionally. The doctors were attentive, and all the services were free of charge. I was truly grateful.”**

Until recently, swift care was almost impossible in Byureghavan. For years, residents of the community had to travel to Abovyan town or elsewhere for even the simplest diagnostic procedures. Without X-ray or ultrasound equipment, the city polyclinic - serving around 13,000 residents - could only provide basic care. More complex cases meant long journeys, extra costs, and delayed diagnoses.

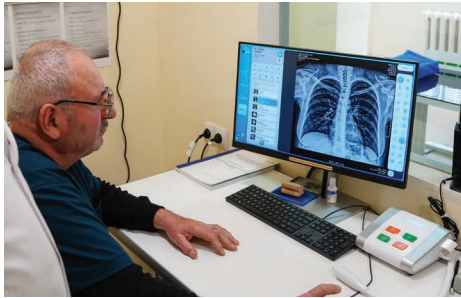
“Byureghavan community never had X-ray equipment before,” explained Dr Mikayelyan, former director of the polyclinic. **“We always had to send patients to other clinics and cover part of their expenses with the state subsidy.”**

Determined to change this, the Byureghavan municipality applied to the Local Development Fund, aiming to strengthen healthcare services in the town. With 16 million AMD (around 32,000 EUR) from the Fund and an additional 6.8 million AMD (more than 16,000 EUR) co-financed by the municipality, the polyclinic finally received modern X-ray and ultrasound machines - a transformation that has reshaped local healthcare.

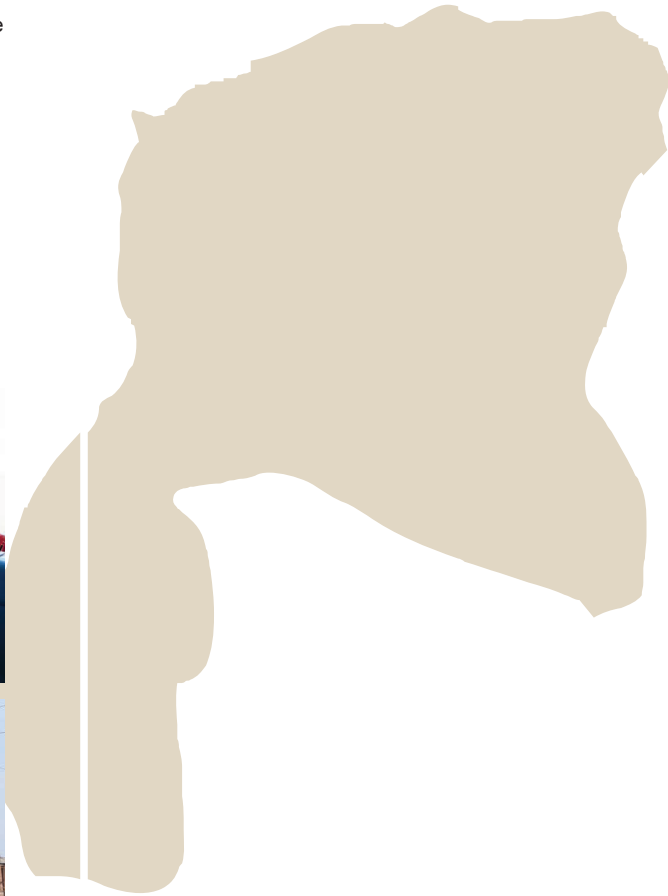


“Now we save both time and resources,” says Dr Mikayelyan. “The money we used to spend on patient transfers can be redirected to other needs, and our residents can get the care they deserve right here.”

Since the installation of the new equipment, more than 1,200 patients have already benefited from ultrasound examinations alone. The X-ray and ultrasound services have become vital in diagnosing everything from fractures to internal organ diseases, allowing medical staff to provide immediate care without referrals or travel delays.



For Rafik, the town's watchmaker, this means he can get back to his craft faster - and help keep others' time running smoothly. His story is just one among many, but it captures how local initiatives, with the right support, can provide better care and more equitable and efficient access to healthcare, thus improving the quality of life of the community members.





Charentsavan

New Equestrian Centre Brings Fresh Opportunities to Charentsavan

A new equestrian centre in Arzakan village is giving a welcome boost to tourism and community life in Armenia's Charentsavan consolidated community.

Local entrepreneur Arsen Khlghatyan opened the Mirage Equestrian Centre in 2022, turning a long-held dream into reality. His vision went beyond business: he wanted a space that would support tourism, create jobs and deliver social benefits for the community.

"This centre is the biggest achievement of my life. I wanted to create something that brings people together, supports children and opens new opportunities for our community," says Arsen Khlghatyan.



The idea took shape through close cooperation with Charentsavan municipality. In 2021, the municipality successfully applied to the Local Development Fund, established to help municipalities recover from the economic impacts of the COVID-19 pandemic. The grant, combined with municipal funds and Arsen's own investment, made the project possible.

Built on one hectare of privately owned land, the centre opened its doors in September 2022 and quickly sparked interest. Demand is high, as the area has few facilities that combine sport, recreation and tourism, despite the growing number of hotels and resorts.

"Supporting initiatives like this allows us to strengthen the local economy while improving quality of life. The equestrian centre responds directly to the needs of our residents and visitors alike," says Ashot Tserunyan, head of the Development projects and IT department of Charentsavan municipality.



Today, the centre offers horse-riding lessons, guided rides, hiking tours and free hippotherapy sessions for children with special needs. There are also plans to work with local sports clubs and offer free training to talented young riders.



Arsen Poghosyan, the trainer of the centre, emphasizes that the experience goes far beyond a simple ride. **“For those who feel confident in the saddle, we organise mountain hikes along picturesque trails that offer both adventure and spectacular panoramic views. These guided excursions offer both an adrenaline-filled adventure and a rare opportunity to connect with nature in its purest form.”**

Since opening, the centre has welcomed around 500 visitors per month and provided inclusive recreational and therapeutic services to local residents.

By expanding leisure options, supporting social inclusion and attracting visitors, the Mirage Equestrian Centre is contributing to the socio-economic development of Charentsavan community.



Life of Molokan Community in the Mountains of Fioletovo Village



Fioletovo

Nestled in the lush hills of Lori region, a small village of Fioletovo inhabited by around 1,350 Molokans, Russian ethnic minority for about two centuries, is a place where time seems to move slower, allowing the residents to embrace a simple yet meaningful lifestyle. The village, with its rustic houses and colourful gardens, is surrounded by rolling hills and pristine nature. The air is fresh, and the sounds of chirping birds and rustling leaves create a peaceful atmosphere.

Life here revolves around the rhythm of the seasons, and the people of Fioletovo are deeply connected to the land. Their daily routines are shaped by the agricultural cycles, with many families running small farms where they grow a variety of crops, including cabbage, carrot, potato and fruits. The soil is fertile, and the villagers often work together to ensure that everyone's harvest is bountiful.

The village also has a tradition of animal husbandry, with many households keeping livestock such as cows and goats, as well as chickens. These animals are vital sources of milk, eggs, and meat, ensuring the villagers' self-sufficiency. Formerly they would sell the milk and meat to dairies and producers, but recently

the wholesale prices have gone down, and the villagers refuse to sell, but rather use it for their own consumption.

The older generations pass down their knowledge of farming techniques and the best ways to care for the land, ensuring that the village's traditions are preserved for years to come.

In the warmer months, the fields come to life as families come together to plant, weed, and harvest. But despite their hard work, much of the land remained uncultivated for years due to the heavy reliance on manual labour, leaving many villagers eager yet unable to expand their plots and increase their food and income.

Having been leading the community for three years, the Mayor Fioletovo community, Aleksey Chichyov says it is quite challenging to solve the existing problems with a tight budget. **"We used to sow and harvest the land with the help of horses, or a tractor rented from nearby villages. Those families who couldn't afford renting a tractor, abandoned their lands,"** the Mayor says.



The tractor acquired through the project



To help address these challenges, support was provided through the Local Development Fund, financed by the German and Swiss Governments and implemented by GIZ. With this assistance, the municipality procured a tractor - and as a result, five hectares of previously unused land have already got ploughed anew.

“With this tractor, a lot of plots got restored,” says Mr Chichyov. **“The tractor operated since the end of April until the end of August, during the haymaking season it supported mowing in the mountains. In wintertime it hauls hay up the hill, where we keep our cows and other domestic animals.”**



The residents of Fioletovo are very happy with this new achievement and look forward to more lands being cultivated and improving their lives by bringing income to their families.

“Even many of those who have migrated to other countries to earn money, return to their homeland to buy a piece of land and build a house on it. My family already has it all, and we do not even consider leaving the village,” says Mikhail Zadorkin, a village resident and a 3-year-old girl, who helps her father to feed the animals.

The bonds of family and community are strong here, and life, though challenging at times, is deeply fulfilling. The people of Fioletovo may live simply, but they do so with a profound appreciation for nature and the life it sustains, making the village a hidden gem of peace and resilience.





Goris

From Hidden Gem to Thriving Eco-Adventure Destination: Unveiling Shorin Dzor Canyon in Goris

Nestled within the outskirts of Goris in southern Armenia, the forested Shorin Dzor Canyon was once a largely overlooked natural treasure, which has been transformed into a vibrant public recreation and eco-adventure destination.

In the wake of the COVID-19 pandemic and the 2020 war, Goris municipality launched an ambitious effort to revitalise the local economy and strengthen the investment climate. The vision was clear: preserve the canyon's pristine beauty while opening it to residents and visitors through sustainable tourism. This vision evolved into a concrete development project supported by funding from the German and Swiss governments, alongside financial contributions from the municipality and private entrepreneurs.

As part of the initiative, the municipality significantly improved access to the canyon by upgrading the road, installing solar-powered lighting and putting safety measures in place, including water drainage and protective barriers. These enhancements now allow visitors to explore the area safely and comfortably.

The adventure park offers a range of eco-tourism activities including walking, hiking, cycling and climbing. One of its main attractions is a scenic trail that winds through dense greenery and leads to a picturesque 15-metre waterfall.

To ensure long-term and sustainable development, the municipality actively encouraged private sector participation. Local entrepreneur Irina Darbinyan was among the first to join the initiative, opening a guesthouse and pavilions near the canyon. Designed to harmonise with the surrounding landscape, these facilities have helped turn the area into a popular destination for evening strolls, social gatherings and community interaction.

"This project gave me the confidence to invest in Goris after a very difficult period. It has real potential to attract more visitors, create jobs and bring new life to the local economy," says Irina Darbinyan.



Tourism destinations in Shorin Dzor



Inspired by the project's early success, other entrepreneurs have already approached the municipality with new ideas to further develop the area.

While Shorin Dzor Canyon still holds untapped potential, it has already emerged as a flagship example of how nature-based tourism, municipal commitment and private initiative can come together to boost local development and showcase the unique beauty of Goris.





Gyulagarak

Solar Panels Boost Cultural and Sports Life in Gyulagarak

Cultural and educational institutions in the consolidated municipality of Gyulagarak of Lori region can now operate throughout the year after the installation of solar panels under the Local Development Fund. The initiative has benefited the Art School of Gyulagarak, the Culture House in Kurtan, as well as extracurricular education institutions in the settlements of Gargar and Vardablur, creating more opportunities for residents to engage in cultural and sports activities.



The newly built Culture House in Gyulagarak

The Gyulagarak Art School, which also serves the surrounding settlements, now offers uninterrupted classes in a modern, warm and well-lit building.



“Our school is proud of its talented students - award-winning musicians and artists,” says Yelena Khachatryan, director of the Gyulagarak Art School. **“Since moving to this new building, we can offer piano, national instruments, vocal and art classes all year-round.”**



Director Yelena Khachatryan discusses the curriculum with the teachers

Before relocating, the art school operated in the municipal administration building, where limited space made teaching and practice difficult. Musicians and artists often struggled to rehearse without disrupting the daily work of the municipal staff.



Mayor Khachik Vardanyan shares insights on how the art school was built

Following the renovation of the Art School through the state subvention programme, solar photovoltaic stations were installed with support from the German and Swiss Governments, ensuring year-round operation. Similar renewable energy solutions were introduced in five extracurricular education institutions across other settlements of the municipality.

Angelina, 26, is a mom of a 5-year-old boy, **“I am so happy that my son can attend the piano classes at the art school. He attends school 2-3 times a week after the nursery. Now that the building is new, bright and warm, he enjoys the piano and solfeggio classes even more.”**



Local students value the improved conditions. Nane, 14, who has studied violin at art school for seven years, says the new building allows students to practice without disturbing one another and ensures classes continue even during winter. Susik, 13, who plays the qanun, an Armenian national instrument, agrees with a smile, **“It’s much better here. We all have our own classrooms.”**



Kurtan Culture house

The LDF also supported the energy upgrade of the Kurtan Culture House - a Soviet-era building that houses the local library and offers dance and sports classes. It remains the only community space where people of all ages can gather and spend their free time.

Deputy Mayor of Gyulagarak Ruslan Ohanyan highlights the project's importance, **"Before the installation of the solar panels, we couldn't keep the building operational in winter. Electricity costs were around 3 million AMD, which was unaffordable for a small municipality. When we learned about the Fund, we worked day and night, held meetings and discussions with the residents to reflect their needs in the project and the municipal budget."**



"These investments help us save money and invest more in the development of our community," Ohanyan added.

The Gyulagarak municipality contributed around 14% per cent of the total project budget, amounting ca. 15.6 mln AMD (ca. 37,000 EUR). Beyond improving energy sustainability, the project has created lasting opportunities for residents to access education, culture and sports throughout the year.



The kindergarten of Kurtan

Faster and More Affordable Diagnostics for the Residents of Martuni

For many years, blood samples from Martuni often had to be sent to Yerevan for analysis, resulting in longer waiting times, higher costs and frequent challenges related to sample transportation, all of which affected both doctors and patients alike.

“There were cases when we had to wait days for results, and this was stressful for both doctors and patients. The transportation of the samples was also associated with many problems, since it was not always possible to maintain the necessary conditions,” says Andranik Harutyunyan, acting director and chief doctor of the Martuni medical centre. “Now we can carry out most tests here, quickly and reliably, which allows us to make decisions without delay.”

Since February 2024, residents of Martuni no longer need to travel long distances for essential blood tests. They can now receive faster, more accurate and more affordable diagnostics on site, sparing families the expense and hassle that once accompanied even routine procedures. The modernisation of laboratory services at the Martuni Medical Centre has not only improved medical efficiency and access to quality services but has also strengthened confidence in the local healthcare system.

“We always come here because I trust the staff of this institution. Everyone is very responsible, the tests are accurate, and financially it is more affordable than other laboratories,” says 43-year-old resident Mayranush, who had visited the medical centre with her daughter.



The haematological and the immunofluorescent equipment was acquired through the support from the Fund, along with co-financing from Martuni municipality. The initiative grew out of ideas proposed by the local population, among them doctors and patients, responding directly to the community's real needs.



Martuni





“When we learned about the grant announcement, we held public hearings in all the settlements of Martuni municipality, generated ideas that would contribute to community development, and submitted three project proposals. The modernisation of the hospital equipment was awarded the grant,” says Varazdat Mheryan, chief specialist of Martuni municipality.

Medical staff report shorter processing times, smoother workflows and improved accuracy, while patients benefit from more affordable services and quicker answers.



Sima Khachatryan, physician-biochemist and engineer at the Martuni Medical Center, says, **“In the past, within 40 minutes we would receive the results of only eight tests for five patients. Now, the required processing time has been reduced, while the number and accuracy of analyses has increased.”**

According to the Centre’s management, this investment marks an important step towards stronger, more resilient healthcare in Martuni through introduction of the latest technologies, that have reduced human error factor in the analysis of laboratory tests to zero and decreased the required processing time and financial costs.





Masis

Empowering Rural Kindergartens with Solar Energy



In the Masis municipality of Armenia's Ararat region, the smaller kindergartens in Argavand, Jrahovit, Marmarashen, Sayat-Nova, and Zorak settlements faced a recurring challenge: they had to close during the winter months due to high heating costs, while larger kindergartens were unable to accommodate additional children, leaving many families without early education options during the cold season.

The financial burden of winter heating was particularly heavy for these small, community-based institutions. With limited municipal budgets, they could not afford proper heating, nor could they upgrade their facilities, furniture, or teaching materials.

Today, however, these same kindergartens are examples of innovation and sustainability in rural Armenia. Thanks to the installation of solar photovoltaic stations, they now enjoy reliable, renewable energy for heating, lighting, and hot water. Children can attend classes comfortably year-round, even in the coldest months.

The transformation began in 2023, when Masis municipality applied to the Local Development Fund competition with an idea to introduce renewable energy solutions for five rural kindergartens. The project was developed and implemented with the active participation of local



Director of Marmarashen kindergarten Lia Hakobyan

population, administrative heads, and community representatives – an example of community-driven development.

“We organised public hearings and discussions in all settlements,” recalls Angelina Khachaturyan, Senior Specialist on Development and Investment at Masis municipality. **“There were many ideas, but one teacher from Sayat-Nova impressed me most - she said that if they could save on energy costs, she would buy new teaching materials for the children. Thus, based on the community vote, the solar power panel project was selected.”**

The installed solar panels now generate sufficient energy to power electrical appliances, provide heating for smaller kindergartens, and ensure access to hot water for cooking, cleaning, and hygiene.

Shoghakat Abrahamyan, Director of Jrahovit kindergarten, explains, "Before the installation, we could not operate in winter - the municipal budget simply couldn't cover the heating costs. Now, with solar power, we've saved around 137,000 AMD (over 300 EUR) in just one semester and were able to procure electric appliances such as a washing machine, stove, fridge, and air conditioner."



Similarly, in Marmarashen kindergarten, which is the biggest of the five with 108 children attending, the solar system has brought tangible savings and improvements.

"In just half a year, we saved around 650,000 AMD (more than 1,500 EUR)," says Director of Marmarik kindergarten Lia Hakobyan. **"We've used the funds to purchase didactic materials and furniture, and plan to upgrade our kitchen equipment next."**

Each kindergarten's system includes solar-powered water heaters and heat pumps, ensuring consistent warmth and hot water. The energy surplus is stored in batteries, allowing for uninterrupted use even during cloudy days or at night.

The results speak for themselves: continuous operation of five kindergartens year-round, annual cost savings of about 2,000,000 AMD (approx. 4,800 EUR), reduction of CO₂ emissions by around 21 tonnes annually.

The project has not only reduced costs and environmental impact but has also expanded access to preschool education for dozens of families. It demonstrates how local initiative, renewable energy, and community participation can come together to create lasting change.



A Bridge to Opportunity: Vank and Kaler Villages to Prosper through Sustainable Infrastructure



Meghri

In the mountainous terrain of Armenia's southern Syunik region, the villages of Vank and Kaler have long relied on agriculture, livestock, and beekeeping to sustain their communities. However, lack of infrastructure and a stream separating the villages from the Meghri highway - the region's main north-south transport route - had severely restricted access to markets, essential services, fertile agricultural land, and pastures for livestock.

The passage through an old destroyed bridge was nearly impossible, particularly for transport carts. Cattle herding and small-scale beekeeping - two traditional livelihood activities here - were limited to subsistence levels, as herders and beekeepers could not access larger pasturelands or market opportunities. This isolation kept the local economy stagnant and made it difficult for families to expand their traditional livelihoods.

"Every time we would cross ourselves in the attempt to go to the other side of the road through the old bridge. People would get out of the car to make it lighter to avoid the collapse of the old self-made construction," says Martin, local resident.



The former bridge

At the end of 2023, the German and Swiss governments supported the full renovation of a 20-meter steel-reinforced concrete bridge at the intersection of Vank and Kaler, linking the villages directly to the regional highway for the first time in decades. The project was co-funded by the subvention programme of the Armenian Government and Meghri municipality.

With the new bridge in place, about 150 farmers from the two villages now have uninterrupted access to grazing fields, significantly improving livestock health and productivity. Local herders report a 35% increase in milk and meat output, which they now transport directly to markets via the highway.

Additionally, access to flowering lands has revitalised beekeeping in the area. Several dozens of new beehives have been installed, with beekeepers reporting their first export-ready batch of organic honey to regional buyers.

"The bridge has in fact saved us, if not this infrastructure, these two villages would just be gone!" says Ashot, local resident.



The renovated bridge



Representatives of the German and Swiss Embassies in Armenia at the bridge opening ceremony

The new bridge connects Vank and Kaler directly to the Meghri highway, a vital corridor for trade and movement in southern Armenia. This connection has transformed access to services, markets, and land.

The bridge also serves security measures, as it is now possible to fireproofing vehicles to easily access the areas that are fire risk zones.

The bridge project has also sparked new interest among the younger generation in agriculture and environment. Youth from adjacent Vardanidzor village started to explore agritourism, organise school excursions to the nearby waterfall in Vank, and the springs in Kaler.



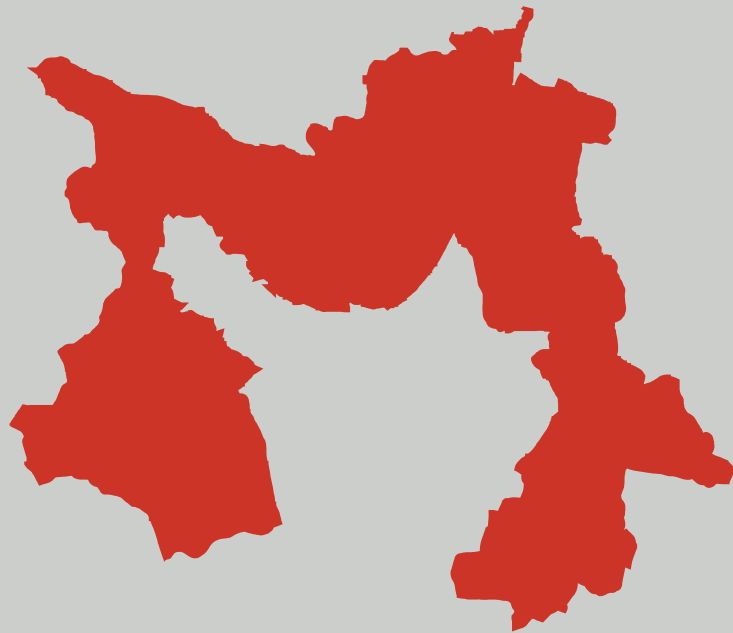
“Excursions to these areas have become quite popular, some classes even hold school graduation parties in the nature in Vank,” says Varduhi from Vardanidzor village.

“In Soviet times both villages were considered as densely populated villages, but because of the lack of infrastructure they were on the verge of extinction. However, we do believe that in the future they will revive again,” concludes Ashot.

Vank-Kaler bridge is a powerful example of how infrastructure, when designed with effective collaboration, community input, and long-term sustainability in mind, can achieve community cohesion, economic development, improved livelihoods and revitalised hope for the future.



Community residents Martin, Varduhi and Ashot



Pambak

Debed Village Now Has Access to Clean Water

In the Lori region of Armenia lies the small, serene village of Debed. The landscape surrounding it is a breathtaking patchwork of lush green hills, winding rivers, and towering mountains, all shaped by the timeless flow of the Debed River, formed at the confluence of the Pambak and Dzoraget rivers, which gives the village its name. The air is crisp, filled with the scent of forests that blanket the rugged peaks, and the sound of birdsong echoes through the valleys.

The valley itself is like a living painting. In spring and summer, wildflowers burst across the meadows, and towering cliffs rise on either side of the river, framing the village in awe-inspiring beauty. In autumn, the foliage turns gold, amber, and ruby, casting a warm, nostalgic glow over the landscape.

Yet, beneath this beauty, a basic necessity has long been missing: many households in Debed still lack access to potable water. Villagers trek long distances up steep hills to fetch water from wells or shared sources.



The water separation lines of the village

“We are even ashamed to say that in the 21st century a villager does not have access to basic needs like water,” says Manush Sargsyan, a teacher and lifelong resident. **“There is a small stream behind our house, and my husband managed to set up a line for laundry and dishes, but we still carry drinking water in buckets.”**



Manush Sargsyan, a schoolteacher in Debed village

UChange, however, is finally on the horizon. Inspired by their love for their community, a group of young villagers teamed up with the village administration, including Mayor of Pambak municipality Suren Kostanyan and Administrative Head of the village Anush Sargsyan. Together they sought grants, engaged with government authorities, and worked with local organisations to bring clean water to Debed.

Thanks to the Local Economic Development Fund and co-funding from Pambak municipality, water pipes have been installed from the mountain springs into the village, while catchment areas and distribution lines are being repaired or rebuilt.

“The water pipes on top of the mountain are now fully in place,” explains Karine Nazlukhanyan, operator of the administrative centre of Debed. **“With the government’s**



Operator of the administrative centre of Debed settlement Karine Nazlukhanyan and former staff member Norayr Sargsyan

subsidy, we have been repairing the catchments and internal network, through which water reaches the houses, school, and kindergarten in the village.”

Norayr Sargsyan, a former staff member of the village administration, has closely monitored the work. **“The main challenge was preventing water loss along the way. Old pipes could not withstand the pressure or carry the water up from the gorge. Replacing and repairing them has been crucial for the project’s success,”** he says.

With the water network nearly complete, the villagers are finally able to imagine a future where fresh, safe water flows directly to their taps. Children will drink clean water at school, mothers will no longer carry heavy buckets, and the community can thrive.

The villagers say it is like a dream that they open the tap and finally have water in their homes. This gives them hope for the future of their village.

The project continued with the support of state subsidies through 2025 and has recently been completed. For the residents of Debed, spring not only brings blossoms to the valley - but also water, security, and a renewed sense of possibilities.



The water catchment and the water basin of the new school during the renovation.





Sevan

Digital Traffic Lights Make Sevan Town Safer and More Inclusive

A mobile cultural centre? A geodesic dome in the city park with an innovative exhibition? Or perhaps digital crosswalks at busy intersections, or digital boards in community kindergartens? These were the main innovative ideas when Sevan municipality was preparing to apply for a grant under the Local Development Fund.

After consulting with residents and evaluating community needs, the municipality chose to focus on one particularly impactful idea: improving road safety. Supported by the German and Swiss governments and co-funded by Sevan municipality, the installation of modern digital traffic lights and pedestrian signals at main intersections aims to enhance traffic safety and ensure inclusivity for all residents, including people with visual or hearing impairments.

“When we first learned about this opportunity, we wanted to go beyond traditional ideas like road repairs or roof renovations,” says Davit Torosyan, head of Development and tourism department at Sevan municipality. **“We proposed an innovative project that addresses sustainable development goals: clean and affordable energy, innovation, safer roads, reduced inequalities and sustainable community.”**



The idea came directly from community engagement. Public consultations and focus groups brought together residents and local organisations, whose input helped shape the final plan. Special attention was given to residents with visual impairments, with some crosswalks equipped with audio signals to guide pedestrians safely.



Gayane, who is crossing the street with her three preschool-aged children, says that thanks to the traffic light, this intersection has now become much safer. **“Beyond safety, these digital traffic lights are also very educational. Every time, my daughter says, ‘Mom, look, the green little man is on — we can cross [the street] now.’”**

Apart from the central street, there were previously no traffic lights in Sevan, and the solar-powered digital traffic lights not only improve safety but also allow the municipality to save resources for other community projects. Old traffic lights were relocated to less busy intersections, extending the benefits across the city. Drivers have also noticed the difference. They note that the traffic at the city market – the usual gathering point of drivers serving the Sevan–Yerevan **“has become incomparably lighter.”**

“Traffic flows much smoother now, and crossing the streets is easier for everyone,” notes Jemma, a local parent. “The sidewalks have been repaired, ramps installed, and the new signals make a real difference for families.”

This initiative marks the beginning of Sevan’s broader effort to create a safer, smarter, and more inclusive urban environment. With plans to expand the network of digital traffic lights and signals, the municipality continues to prioritise the wellbeing and mobility of all residents, while promoting sustainable solutions in the city.





Vagharshapat

A New Football Pitch in Vagharshapat Ignites Physical Activity Among Local Children

Erik, Davit and Edik – three teenage friends from one of the districts of Ejmiatsin city of Vagharshapat municipality – rush home from school each day to go outside and play football. In recent months, this has become their favourite routine.

Since summer 2024, a remarkable transformation has taken place in their neighbourhood. A newly established multi-sport field has become a symbol of community spirit and youth engagement, made possible thanks to the co-financing of the German and Swiss Governments and the Municipality of Vagharshapat.

For years, local families lacked a safe space where children could train, socialise and simply enjoy sports. What was once an untidy paved area in Ejmiatsin's Charents district has now become a modern sports facility. Built with community input and local labour, it not only created jobs and a sense of ownership but also showcases what collective action can achieve.

“We were actively involved in the process so that our expectations were met,” says Erik, 12 y.o.



“Previously the area of the field was paved but untidy. As a result of cooperation of Vagharshapat municipality and the LDF, today it is one of the most beautiful parts of the city,” adds then the municipal spokesperson Siranush Gevorgyan. **“Children organise football competitions, and residents help us keep it clean and well maintained.”**





The opening on 1 June - Children's Day - brought together officials, international and local partners and excited children and youth for the official inauguration of the sports field. Since then, the field has become a vibrant hub where football and basketball bring together boys and girls alike.

More than a sports facility, the field has revitalised the neighbourhood. It gives children and young people a safe place to stay active, build friendships, and strengthen their sense of community - showing how the right investment can spark lasting, positive change in people's lives.



Siranush, 20 years old, was looking out of the window, when the younger boys asked her for the ball. Instead of throwing it out of the window, she put on her training clothes, took the ball and came to play basketball. **"It is wrongly believed that only boys, especially younger boys play in this field. I am also a sports fan, I have been going in for basketball and volleyball for quite some time. Occasionally, I come to train here myself in the field as well,"** says Siranush.



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Good Governance for Local Development South Caucasus Programme

59, Hanrapetuty Street
0010 Yerevan | Republic of Armenia
T +374 (0) 10 51 00 61

E giz-armenia@giz.de
I www.giz.de/en

Responsible: Tom Landes

Author: Lika Mkrtchyan

Editors: Narine Bezirganyan, Mher Hakobyan

Design/layout, etc.:

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