

LOCAL ECONOMY AND INFRASTRUCTURE DEVELOPMENT PROJECT (LEIDP)

In 2016 Armenian Territorial Development Fund will embark on implementation of the Local Economy and Infrastructure Development Project (LEID).

The LEID Project primary objective is to improve infrastructure services and institutional capacity for increased tourism contribution to local economy in selected regions of Armenia.

The Project activities are expected to benefit the residents, tourists and enterprises in five regions of Armenia, namely Ararat, Kotayk, Lori, Syunik and Vayots Dzor marzes. Residents, tourists and enterprises are expected to receive improved access to, and quality of, public infrastructure, increased volume of private sector investment in the regions and increased number of small and micro enterprises in renovated cultural heritage sites and cities.

LEID Project comprises of the following components:

Component 1: Heritage Hub Regeneration and Tourism Circuit Development

- ***Sub-component 1.1: Heritage hub regeneration.*** The objective of this sub-component is to finance urban regeneration activities in the old towns of Goris and Meghri, and the heritage villages of Areni, Tatev and Tandzatatap. This includes restoration of public infrastructure, building facades and roofs, public spaces, museums, access roads, water and street lighting, which will transform them into high quality tourism destination hubs.
- ***Sub-component 1.2: Development of the tourism circuits.*** The objective of this sub-component is to finance an integrated approach to cultural heritage preservation and improved site management plans of the most attractive cultural and natural heritage sites located along the main tourism circuit/route in Armenia. The following sites are selected for enhancement of the tourism circuit: Garni (Temple and Gorge), Geghard Monastery, Khor Virap Monastery, Areni marketplace and cave, Mozrov cave, Yeghegis, Zorats Qarer (Karahunge), Khndzoresk and two UNESCO World Heritage Sites of Haghpat and Sanahin. These activities include: a) preparation site management plans, b) construction of a visitor facility at each attraction, including information centers, cafes, public toilets and safe parking area, c) preservation of cultural heritage monuments, museums and surrounding houses; and d) improving connectivity with access roads and public infrastructure.
- ***Sub-component 1.3: Provision of Public Infrastructure to Attract Private Investments.*** The objective of this sub-component is to support a selected number of private sector entities in Project areas that demonstrate interest and capacity to invest in tourism or agribusiness through investing in complementary public infrastructure that is necessary to ensure the viability of their investments.

Component 2: Institutional Development

This component will raise the institutional capacity and performance of the Development Foundation of Armenia (DFA), the Historical and Culture Heritage Protection Agency (HCHPA), ATDF and other local and regional entities.

Total Project Cost

The estimated total Project cost is US\$68 million, of which the WB will provide US\$55 million IBRD credit and the Armenian Government will provide US\$13.75 million counterpart funding.