

Social Investments and Local Development Project (SILD)

Since 2015 Armenian Territorial Development Fund is implementing Social Investments and Local Development Project, the total cost of Project is 42.93 million USD, of which 30 million is loan provided by IBRD. The Project will maintain the ASIF demand driven approach and direct community involvement in the definition, identification and implementation of its projects.

The short description of the SILD Project components is presented below. Communities will contribute in a project implementation about 4-10 percent of its cost and will be responsible for infrastructure operating and maintenance.

SILD Project has two community related components:

❖ **Component 1. Support to Socio-Economic Development and Capacity Building at the Local Level.**

Under this component, SILD Project follows the model of previous ASIF projects to implement small-sized investment projects (microprojects) targeting vulnerable communities to address priority basic needs. The selection methodology for microprojects under this component will be based on the amount distributed among marzes, and vulnerability ranking of the community. This component will fund approximately 120 microprojects.

The menu of microprojects to be financed under this component includes:

- ✓ **Social infrastructures:** Renovation, rehabilitation and construction of, and provision of furniture/equipment to, kindergartens, primary and secondary schools, health centers, clinics and polyclinics, special schools for disabled children; art, music and sports schools; integrated social services centers; orphanages, homes for the elderly; community centers.
- ✓ **Economic Infrastructure:**
Renovation, rehabilitation and construction of community level potable water systems, small-scale local level irrigation systems, rehabilitation of village or neighborhood roads, access roads to isolated villages, access roads to agricultural lands and farms.
- ✓ **Sanitation and Environmental Infrastructure:**
Renovation, rehabilitation and construction of sewerage systems and storm water canals, reinstatement and improvement of degraded areas through waste collection and disposal, and tree planting, and rehabilitation and reconstruction of recreation areas in towns.

❖ **Component 2. Support to Socio-Economic Development and Capacity Building at the Local Level.**

This component directly supports the Republic of Armenia 2014-2025 Strategic Program of Prospective Development objectives of reducing regional socio-economic disparities and promoting harmonic territorial development by financing innovative inter-community socioeconomic development initiatives. The component supports projects of “agglomerated communities” and inter-community projects (sub-projects), and shared capacity-building and planning. Overall SILD Project will fund the design, selection and implementation of approximately 30 inter-community sub-projects that will be able to improve socio-economic infrastructures and public service provision, promote social capital and institutional capacity, and expand income generation opportunities for the population. Subprojects should also strengthen the environment for further economic investment.

Along with typology of micro-projects described under the Component 1, sub-projects to be financed by the ATDF may also include:

- ✓ **Local level business projects:**
 - a. Storing and processing of agricultural products;
 - b. New technology-based gardens, nurseries, greenhouses, etc.;
 - c. Milk collection points and initial processing workshops, etc.
- ✓ **Development of regional labor markets:**
 - a. Vocational and other training services/ facilities, skills development centers or alike that contribute to matching demand and supply of the regional labor market
 - b. Business incubators, etc.

The financed sub-projects can have a composite structure and include several components funded from different sources, including private investments. All components integrated in one sub-project shall be aimed at the same goal, supplement and reinforce each other, and be sustainable and viable.

! The sub-projects which are sustainable public investments will be supported; no private entities will be financed.