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SOCIAL PROTECTION

SIMPLIFIED BUDGET – 2024

ECONOMIC DEVELOPMENT AND RESEARCH CENTER (EDRC)

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ABOUT THE INITIATIVE

The Economic Development and Research Center (EDRC), the Armenian Lawyers' Association and “Agora Central Europe” (Czech Republic) are jointly implementing the “Budgets 4 Citizens” (B4C) project with the financial support of the European Union.

The project aims to enhance civil society participation in budget processes and promote inclusive, transparent budgeting in Armenia.

The EDRC is a non-partisan think tank specializing in the monitoring and analysis of public programmes and policies. By focusing on efficiency, effectiveness, and targeting beneficiary satisfaction, the EDRC seeks to contribute professionally to policymaking and public discourse.

As part of the B4C project, the EDRC undertakes initiatives to: Increase the awareness and literacy of civil society organizations (CSOs) regarding budget processes; Strengthen CSO capacities in budget monitoring and analysis; Support effective CSO participation in policy development and implementation; Simplify budget information to foster public understanding.

The 2024 Social Protection Simplified Budget is an analytical publication designed for a broad audience across various social groups. Its goal is to raise public awareness and facilitate informed dialogue between civil society and the public sector.

The publication relies on official sources, including the Budget Laws of the Republic of Armenia, State Budget Execution Reports, and other official data. The 2024 budget data is programmatic, while data for 2023 and earlier years is based on actual figures. The document identifies Social Protection expenditures as those allocated to Social Protection budget programmes within the Ministry of Labor and Social Affairs.

ABBREVIATIONS

MLSA	Ministry of Labor and Social Affairs
EU	European Union
NK	Nagorno Karabakh
USSR	Union of Soviet Socialist Republics
ASSR	Armenian Soviet Socialist Republic
WB	World Bank
RA	Republic of Armenia
GDP	Gross Domestic Product
MTEF	Medium-Term Expenditure Framework
USS	Unified Social Service
mln	million
bln	billion
SNCO	State Non-Commercial Organization
EDRC	Economic Development and Research Center
CJSC	Closed Joint Stock Company

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General Overview

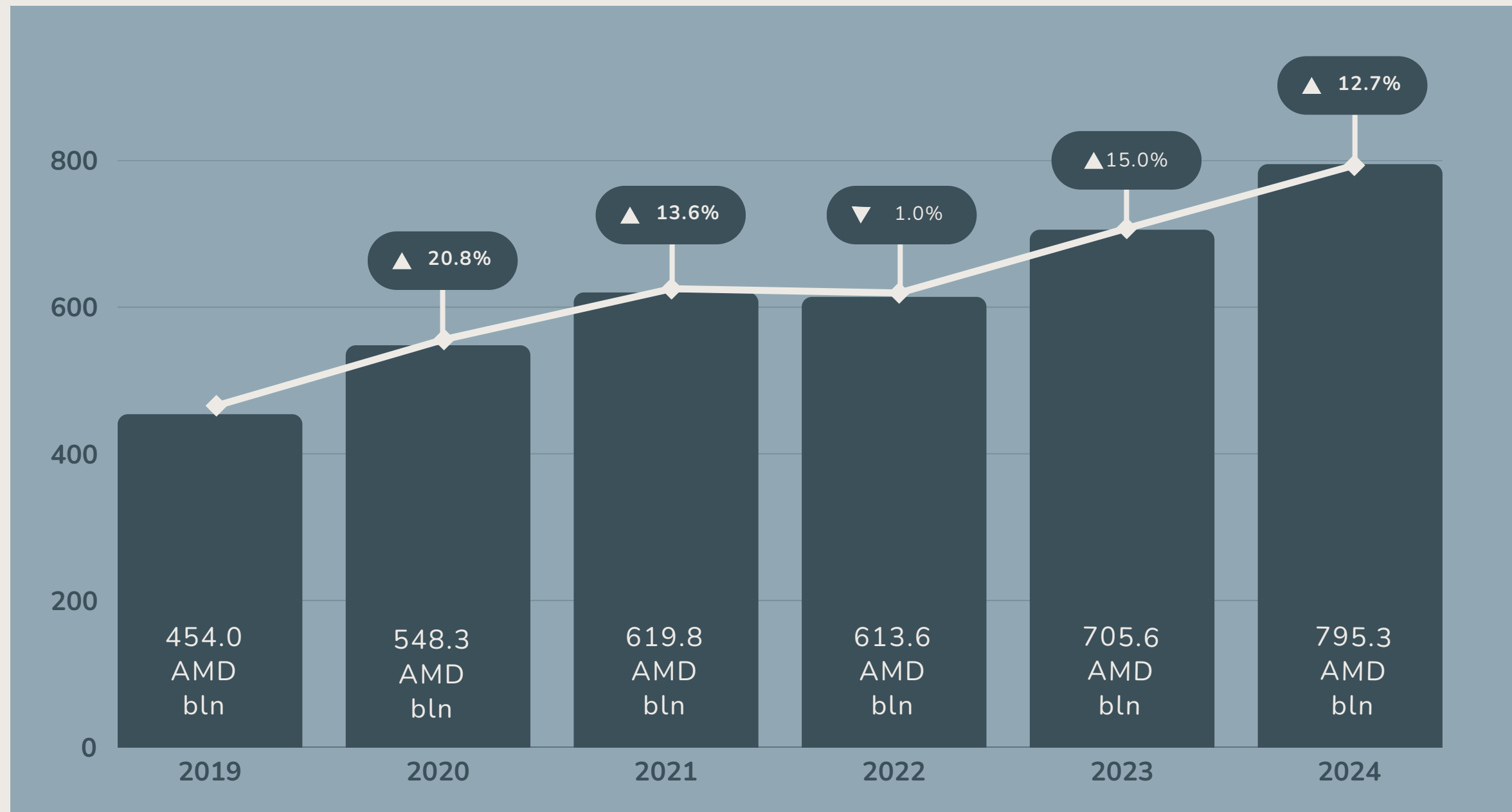
- The 2024 Annual Budget Law of the Republic of Armenia involves – AMD 2,723.6 bln revenues, AMD 3,206.5 bln expenditures and a deficit equaling to AMD 482.9 bln, or 25.9%, 30.5% and 4.6% of the GDP respectively.
- Expenditures on the social protection in the Annual Budget are presented under the social protection programmes, which are coordinated by the Ministry of Labor and Social Affairs (MLSA).
- Social protection continues to be one of the priority areas of the state policy, with the main objective to eliminate extreme poverty in the country, significantly reduction of the poverty level, improving demographic situation and providing social guarantees to the certain population groups in the Republic of Armenia.
- Allocations to the Social Protection Pogrammes in 2024 will amount to AMD 795.3 billion, which exceeds the level of the previous year by more than AMD 89.7 billion or 12.7%.
- Allocations to the Social Pogrammes in 2024 will amount to 7.6 % of GDP, against the average level of 7.8% in 2019-2023, and 24.8 % in relation to the total expenditures of the Annual Budget, compared to the average of 27.9 % for the last 5 years.
- The growth of financing of the social protection sector is relatively stable. The average annual increase in the funding of social protection programmes for the period 2020-2024 is 12.1 %, and is yielding to the average annual increase in the total expenditures of the Annual Budget by 2.6 percentage points during the same period.
- The state policy of social protection in 2024 will be implemented through 17 budget programmes.
- Social security programmes are the leaders among the social protection programmes in terms of allocation. These are: **Pension Security** and **Social Security** programmes. The financing of these programmes constitutes respectively 62.1% and 14.2% of the budget of MLSA programmes.
- 59.8% of the pension insurance is allocated to labor pensions. No increase in pensions is planned in 2024. The average labor pension will total to AMD 50,414 in 2024, compared to the actual level of AMD 47,593 of the last year.
- Although no increase in pensions is expected in 2024, yet the Government is targeting an increase in labor pensions during the MTEF (Medium-Term Expenditure Frameworks) period, having the aim to ensure an average monthly pension equal to the value of the minimum consumer basket in 2026.

- Within the scope of the social security programme 105,994 citizens receive benefits in case of old age, disability, or loss of a breadwinner.
- The next in terms of financing volumes are budget programmes **Improving demographic situation** and **Supporting insecure social groups**, with shares of 8.7% and 4.0 %, respectively.
- There is a sharp increase in the number of beneficiaries of 1) Benefits for children under 2 years old, 2) One-off child benefit, and 3) AMD 50,000 of benefits for families with 3 and/or more children in the family.
- More than AMD 31.9 billion will be allocated to the Support programme for insecure social groups, which exceed the actual expenditures in the previous year by 19.3%. The budget of this programme is 4 % of the social protection budget.
- In 2024, the average amount of Living standards enhancement benefits will total to AMD 37,000. 66,849 families including 3,183 families forcibly displaced from Nagorno-Karabakh will receive the benefits.
- The Social Protection Budget increase in 2024 is mainly determined by increased allocations to the Pension Security and Social Security programmes. The financing volumes of these programmes will increase by AMD 53.2 and AMD 21.7 billion respectively.
- Pension Security and Social Security programmes together make up for the 83.5 % of the increase in the volume of financing of the sector. Note that more than 25 % of this increase is due to the inclusion in the number of pensioners and beneficiaries who were forcibly displaced from Nagorno-Karabakh, into the RA systems. The number of NK beneficiaries of the Pension Security programme is 21,696 people.
- The next are increases in resources allocated to the improvement of Demographic Situation and Support to Insecure Social Groups, which together provide 22.8 % of the increase. The growth of the programme for the improvement of Demographic Situation is the evidence of the increasing influence of this programme on the large families.
- In 2024, the number of families receiving a one-off child benefit will increase. In particular, the number of beneficiaries for the third and subsequent children will grow by 9.9 %, amounting to 14,037 families.
- Number of beneficiaries receiving maternity benefits will increase by 12 % and amount to 40,118 people, including 2,118 people displaced from Nagorno-Karabakh.
- Financial resources allocated to the provision of child care and support services will increase significantly.
- Works on building conditions improvement of SNCOs providing round-the-clock care for elderly people and children will be launched.

- A new "Personal Assistant Service" will be launched for people with disabilities.
- Providing social support to families forcibly displaced from Nagorno-Karabakh to live in temporary housing and to help them pay for utility services will continue for a period 3 months in the amount of AMD 50,000 per month.
- The support to ensure affordable housing for displaced families from different regions of Nagorno-Karabakh will also be continued. AMD 2 billion will be allocated to support 4,032 families in acquiring real estate or construction of an individual residential house.
- 540 families will receive state support for affordable housing in border settlements.
- Providing vocational training and ensuring employment services for unemployed persons, who took part in the military operations as a result of the war unleashed by Azerbaijan in 2016 and 2020, will continue.
- AMD 1.5 bln will be allocated for Compensation of deposits in 2024. Within the framework of this programme, around 8,000 beneficiaries who are deposit holders in "VTB-Armenia" CJSC and the Republican Bank of the Savings Bank of the USSR of the Armenian SSR as of 10 June, 1993 will receive compensation. Deposit holders born up to and including 30 June, 1941 have the right to compensation.
- Within the framework of the Provision of Social Package programme, AMD 10.6 bln will be allocated to provide social packages to 147,493 public sector employees.
- The Second credit programme under the Social Protection Administration Project (SPAP) funded by the World Bank is coming to an end. Certain works on the repair of the premises and furnishing of the Unified Social Service will be continued and completed within the framework of the project in 2024.
- AMD 8.6 bln will be allocated to the development social protection policy, programme coordination and monitoring, which is increased by of 3.1 % compared to the previous year. AMD 149.7 mln will be allocated to the implementation of sectoral research and personnel training.

SOCIAL PROTECTION BUDGET

Social Protection Budget and its annual growth (%) in 2019-2024

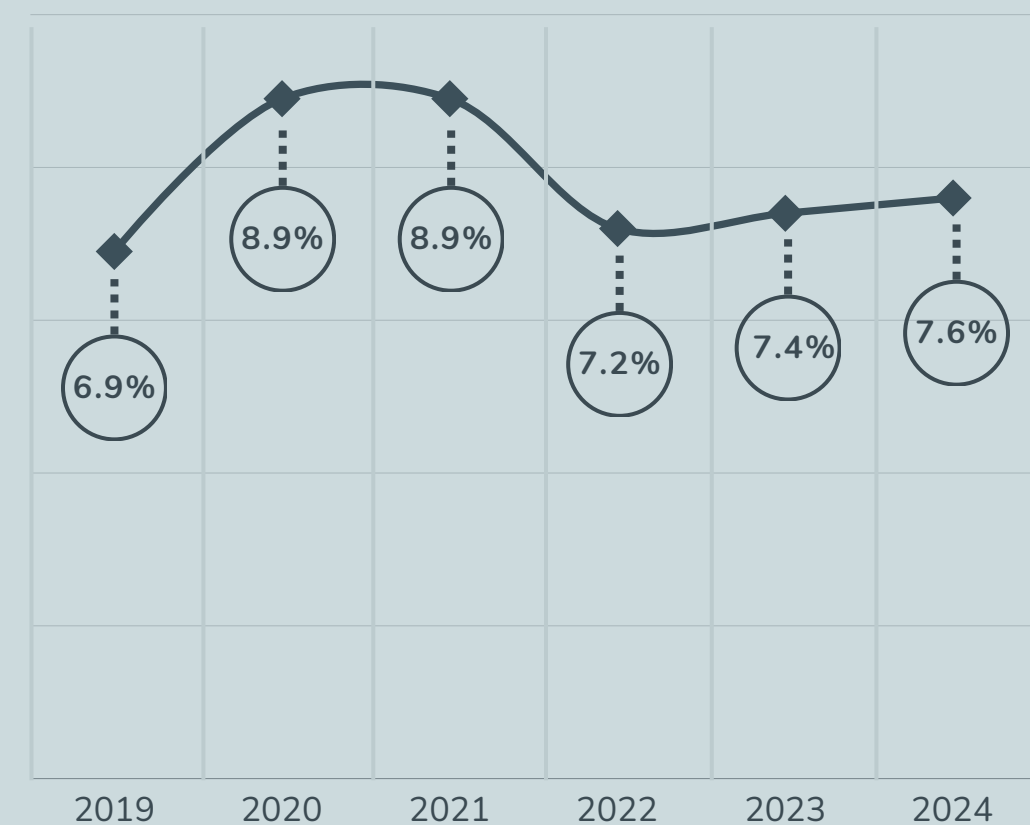


Source: RA Ministry of Finance

- Total allocations to Social Protection Sector in 2024 Annual Budget will equal to AMD 795.3 bln. Compared to the previous year, these allocations in 2024 increased by AMD 89.7 bln or 12.7%.
- Social Protection Sector financing is increasing. In 2020-2024, the average annual growth in funding volumes will total to 12.1%. As a result, the volume of financing in 2019 will be exceeded for more than 1.8 times, or by AMD 341.4 bln.

- The social protection budget for 2024 will amount to 7.6 % of the GDP, which is 0.2 percentage points higher than the level of the previous year.
- During the 5 years prior to 2024, the average level of the Social Protection Expenditure/GDP ratio was 7.8 %

Share of the Social Protection Programme Budget in Total Budget Expenditures and GDP, 2019-2024



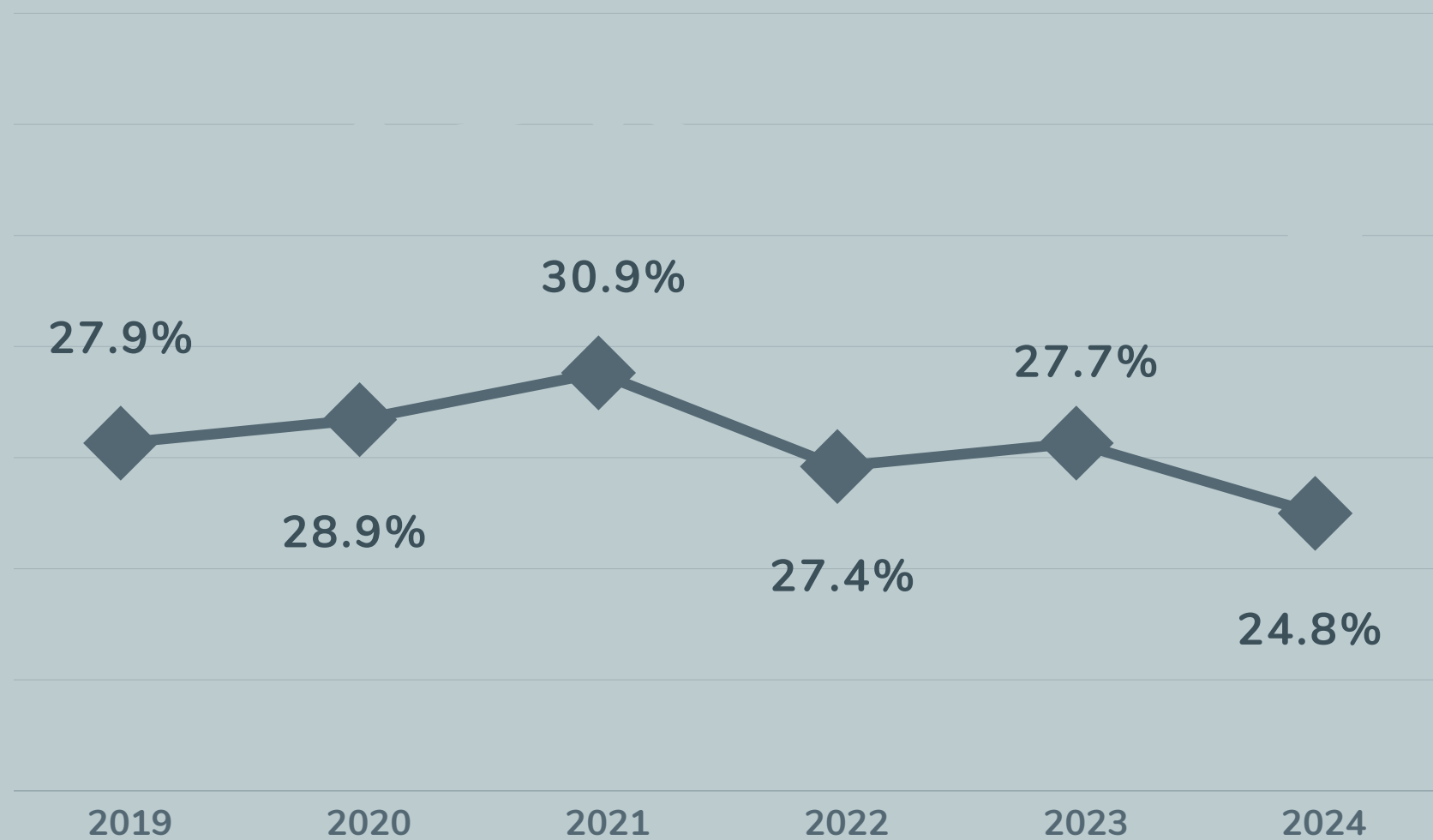
Source: RA Ministry of Finance. RA Statistical Committee

SHARE OF THE SOCIAL PROTECTION BUDGET IN TOTAL BUDGET

- Social Protection Budget Expenditures in 2024 will amount to 24.8%, which is lower by 2.9 percentage points compared to the previous year.
- The share of Social Protection expenditures in Total budget expenditures is lower in 2024 compared to all previous five years. The average level of the social protection budget expenditure ratio was 27.9 %.

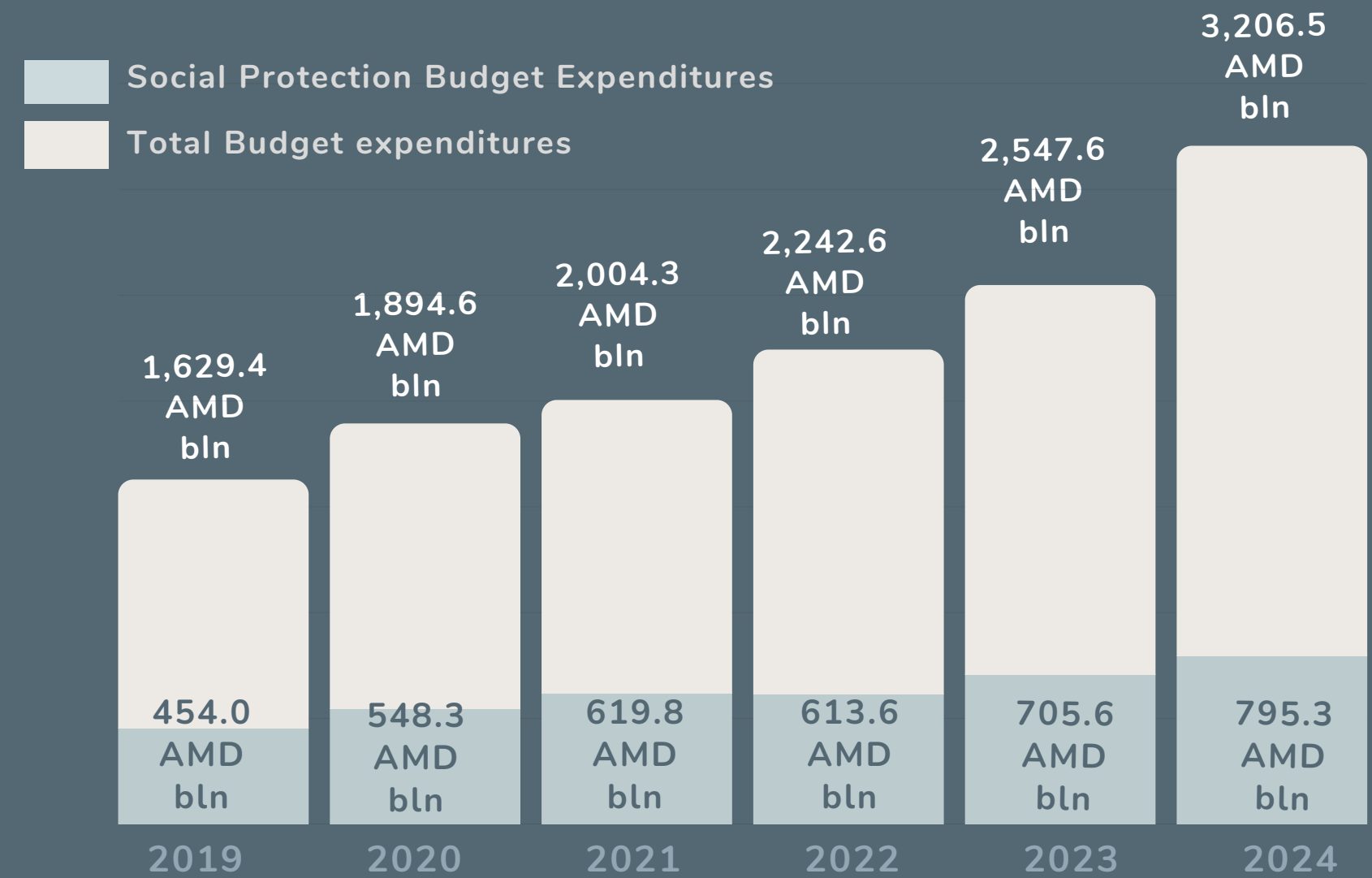
- The average annual growth rate in social protection expenditures is lower than the corresponding indicator in the state budget expenditures. The average annual growth of the total budget expenditures in 2020-2024 was 14.7 %, with a 12.1 percent level of the social protection budget.

Social Protection Budget share in Total Budget Expenditures, 2019-2024, %



Source: RA Ministry of Finance

Social Protection Budget in Total Budget Expenditures, 2019-2024, %



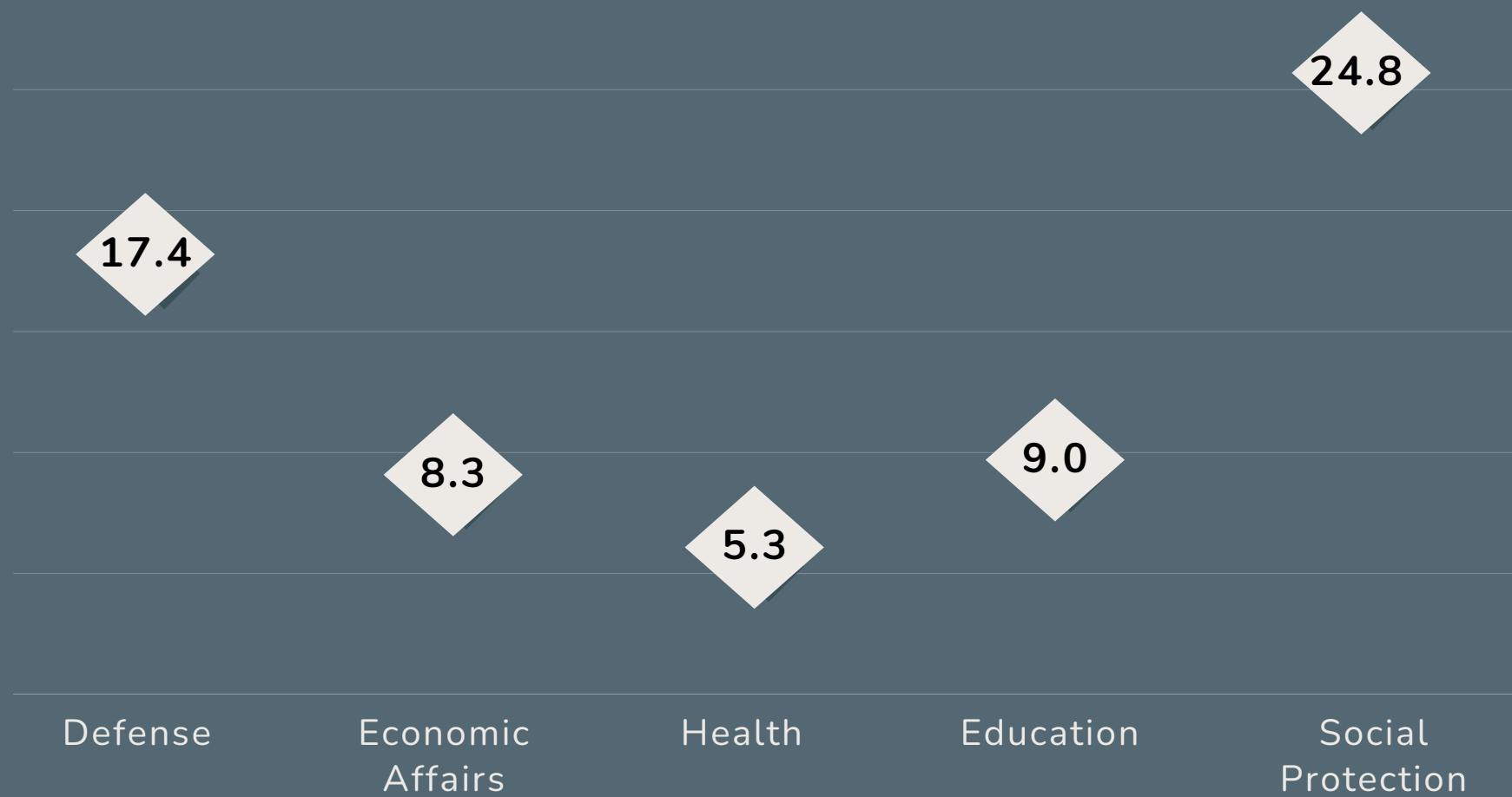
Source: RA Ministry of Finance

GROWTH OF THE SOCIAL PROTECTION BUDGET

- Social Protection is the largest functional section of budget expenditures.
- All other budgetary chapters yield to social protection. In particular, the ratio of defense sector expenditures/state budget expenditures is 17.4%, yielding by 7.4 percentage points, the share of education sector is 9%, yielding by 15,8 percentage points, the economic affairs yield by 16,5 percentage points, etc.

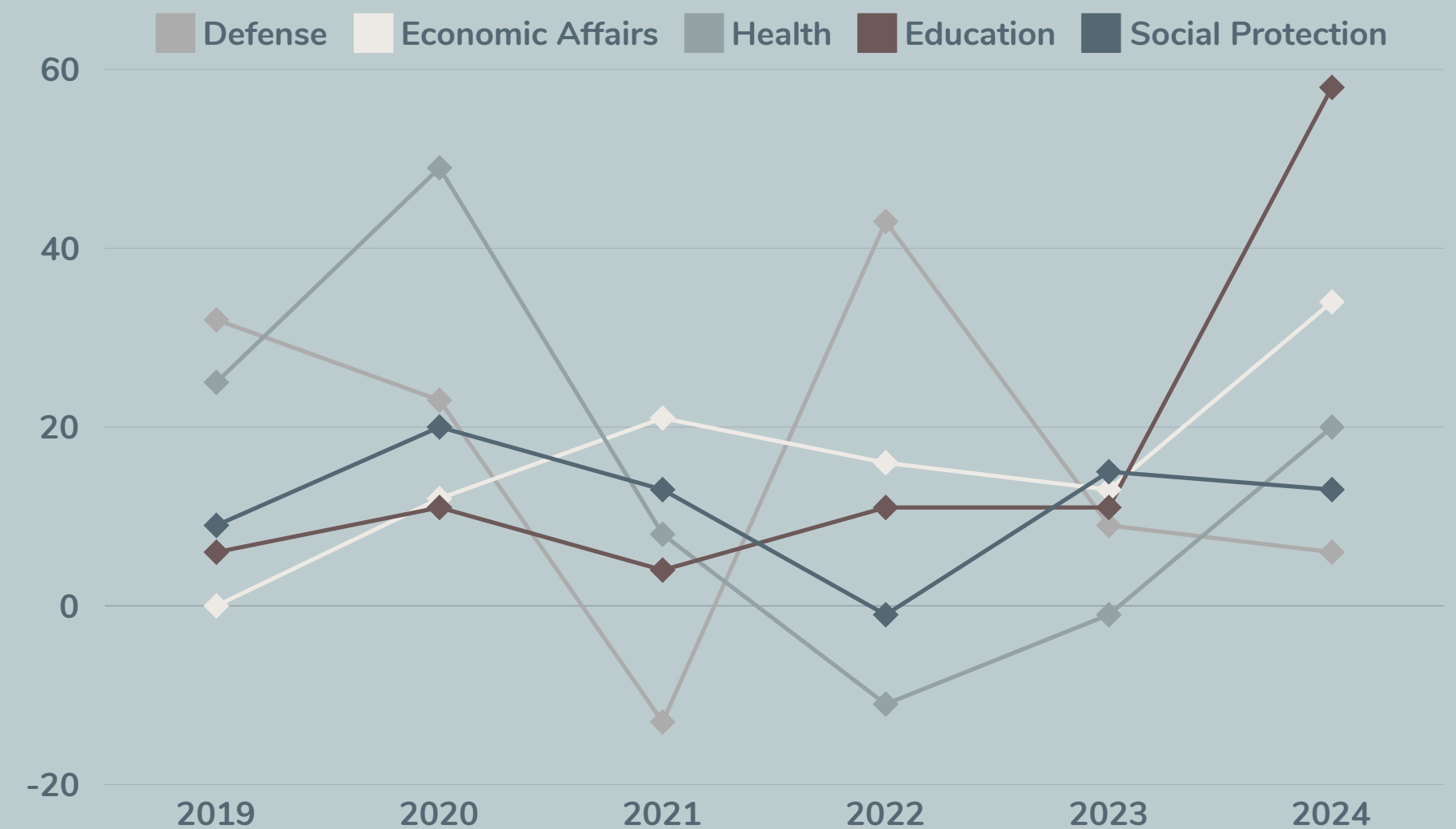
- The growth in funding for the social protection sector is relatively stable.
- As we can see from the chart below, the growth of social protection budget in 2024 is the fourth largest compared to the growth of the selected sectors. Note that in 2023 there is a completely different situation, when social protection showed the largest growth compared to other sectors

Share of selected sectors' budget expenditures to Total budget expenditures, 2024p., functional classification, percent



Source: RA Ministry of Finance

Increase of individual sectors in 2019-2024, %



Source: RA Ministry of Finance

SOCIAL PROTECTION BUDGET PROGRAMMES

N/N	Programme	2023 AMD mln	2024 AMD mln	2024 %	2024/2023 %
1	Pension Security	440,752	493,903	62.1	+12.1
2	Social Security	91,136	112,871	14.2	+23.8
3	Improving demographic situation	53,594	68,870	8.7	+28.5
4	Supporting disadvantaged social groups	26,768	31,942	4.0	+19.3
5	Social support for temporary disability	21,707	22,557	2.8	+3.9
6	Social support to individual social groups to resist crises situations, and to reduce and eliminate the consequences of emergency situations	28,746	15,000	1.9	-47.8
7	Awards and Honorary payments	9,800	11,105	1.4	+13.3
8	Provision of Social Packages	9,224	10,619	1.3	+15.1
9	Development of public policy, coordination and monitoring of programmes in the social protection sector	8,342	8,604	1.1	+3.1
Total Social Protection Programmes		705,605	795,325	100	+12.7

Source: RA Ministry of Finance, EDRC calculations

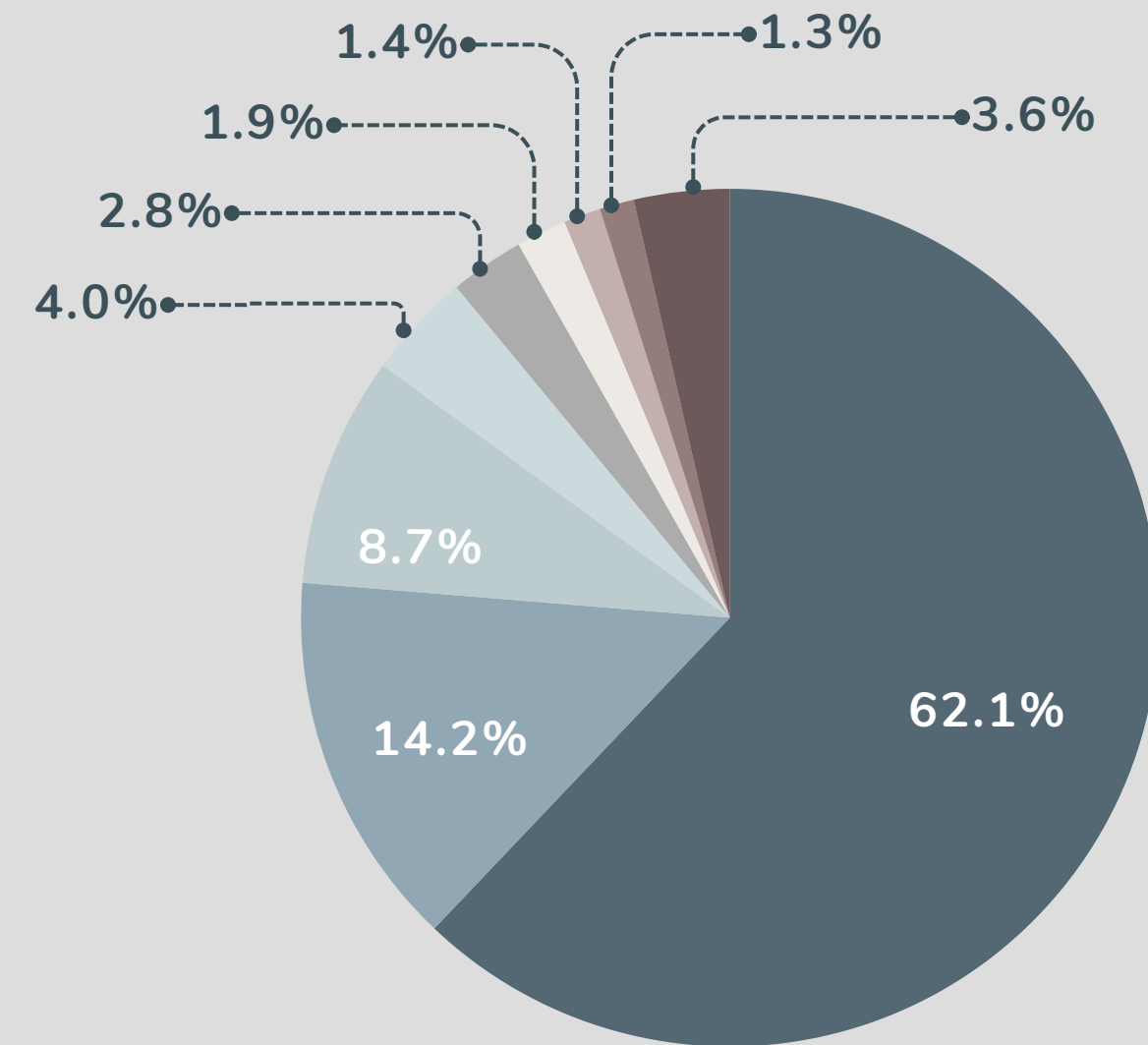
SOCIAL PROTECTION BUDGET PROGRAMMES (CONTINUATION)

N/N	Programme	2023 AMD mln	2024 AMD mln	2024 %	2024/2023 %
10	Support for families, women and children	4,021	5,029	0.63	+25.1
11	Housing	2,573	4,837	0.61	+88.0
12	Providing care for the elderly and/or persons with disability, organizing meals and accommodation for people in difficult life situations	3,575	4,531	0.57	+26.7
13	Support for persons with disabilities	2,055	2,299	0.29	+11.8
14	Deposits and other compensations	874	1,515	0.19	+73.4
15	Reforms of the social protection system	1,402	854	0.11	-39.1
16	Employment Programme	892	638	0.08	-28.4
17	Social protection sector development programme	144	150	0.02	+3.7
Total Social Protection Programmes		705,605	795,325	100	+12.7

Source: RA Ministry of Finance, EDRC calculations

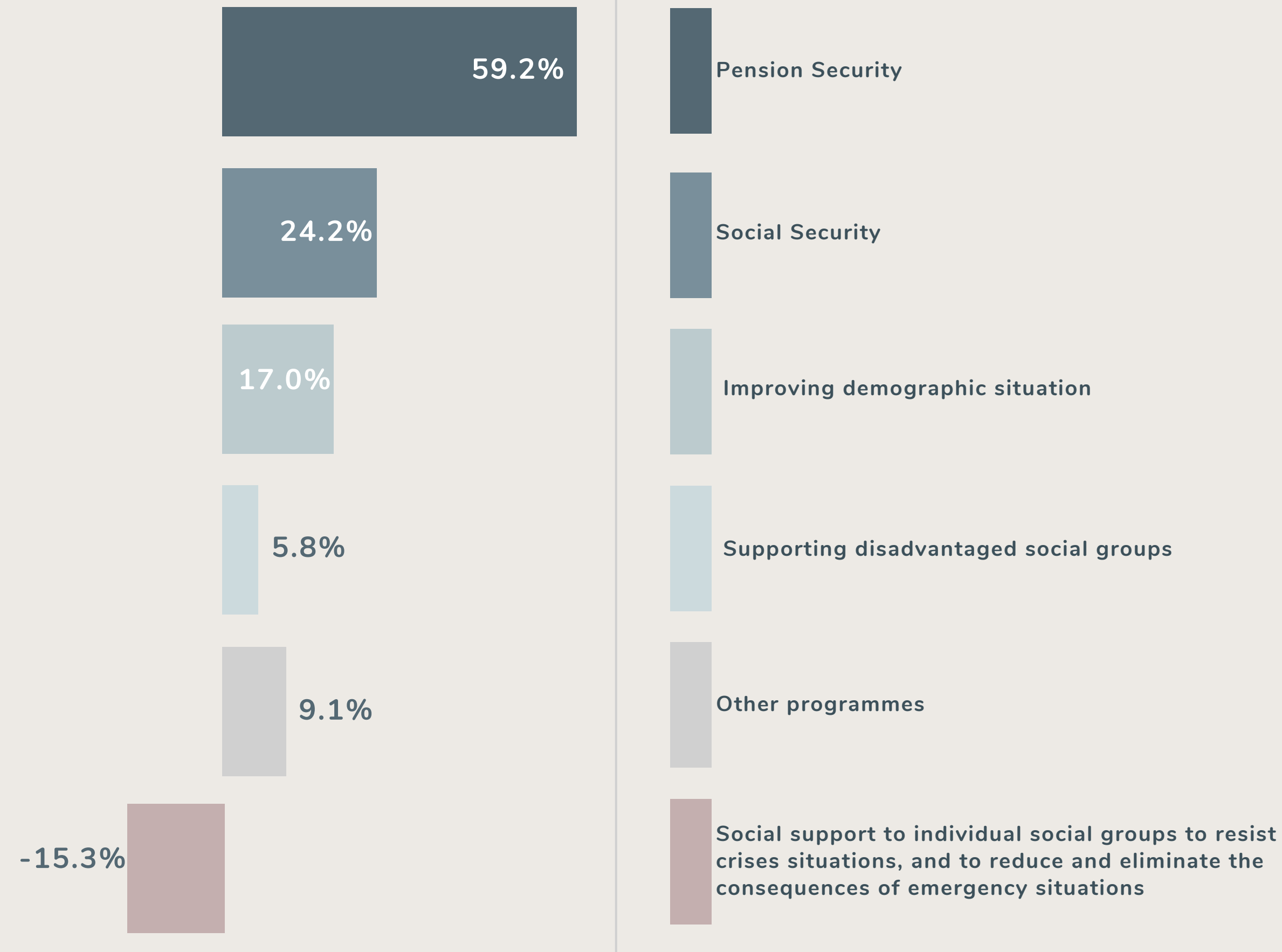
STRUCTURE OF THE SOCIAL PROTECTION BUDGET BY PROGRAMMES

- The largest budget programme in the Social Protection sector is the Pension Security Programme to which 62.1% of budget is allocated.
- Budget programmes Social Security, Improving Demographic Situation and Support to Disadvantaged Social Groups follow with shares of 14.2%, 8.7% and 4% respectively.
- In total, the four largest programmes ensure 89 % of the Social Protection budget.



Source: RA Ministry of Finance

GROWTH STRUCTURE OF THE SOCIAL PROTECTION BUDGET



Source: RA Ministry of Finance

- Increase in the budget for Social Protection programmes in 2024 will amount to AMD 89.7bln.
- Increase in the Social Protection budget is mainly due to the increased funding for four budget programmes.
- More than 83.5 % of the increase in the Social Protection budget is allocated to Pension and Social Security programmes.
- Increases in allocations to improving the demographic situation and supporting disadvantaged represent 22.8% of total increase in allocations

PROGRAMME 1102 – Pension Security

AMD 493.9 bln



The Pension Security programme is the leading budgetary programme in the Social Protection Sector and at the same time the second largest budgetary programme in the Annual Budget.

Programme/measure	2023 AMD mln	2024 AMD mln	2024/2023 %
PENSION SECURITY	440,752.4	493,902.9	+12.1 ↑
Maintenance and operation of unified information systems for provision of pension and other cash payments	70.5	72.4	+2.6 ↑
Ensuring payment of pension and other monetary payments	796.3	693.9	-12.9 ↓
Printing of pension forms	0.7	-	-
Pensions to military officers and their families	36,148.6	41,277.1	+14.2 ↑
Pensions to soldiers and their families	648.4	707.6	+9.1 ↑
Labor pensions	256,357.1	295,468.0	+15.3 ↑
Pensions provided by the RA legislation	3,166.7	3,417.2	+7.9 ↑
To the pension accounts of the participants of cumulative pension	143,563.9	152,266.8	+6.1 ↑

Source: RA Ministry of Finance, EDRC calculations

- Average monthly labor pension in relation to the value of the minimum consumer basket, %
- Minimum monthly labor pension in relation to the value of the minimum consumer basket, %



PROGRAMME 1102 – Pension Security

Average size of pensions

	2023 Average monthly pension, AMD	2024 Average monthly pension, AMD
Labour Pensions	47,593	50,414
Pensions to military officers and their families	86,164	92,781
Pensions to soldiers and their families	38,296	41,969
Pensions assigned by the RA Laws	343,166	348,123

Source: RA Ministry of Finance, EDRC calculations

Number of pension beneficiaries in 2024

	RA Pensioners	Forcibly displaced pensioners from Nagorno-Karabakh
Labour Pensions	467,963	20,439
Pensions to military officers and their families	35,857	1,217
Pensions to soldiers and their families	1,365	40
Pensions assigned by the RA Laws	818	

Source: RA Ministry of Finance

- More than 69 % of programme resources, or AMD 340.9 bln, will be allocated for paying the pension.
- Number of beneficiaries of the pension system is 527,699, of which 4.1 % are our compatriots forcibly displaced from Nagorno-Karabakh.
- Pensioners receiving labour pension make 92.6%, or 488,402 people, including 20,439 forcibly displaced from Nagorno-Karabakh.
- Average pension in 2024 is projected to equal to AMD 50,414, which is higher by AMD 2,821 compared to the previous year.
- In 2024, AMD 152.3 bln will be allocated for payments to the participants of Cumulative Pension System.

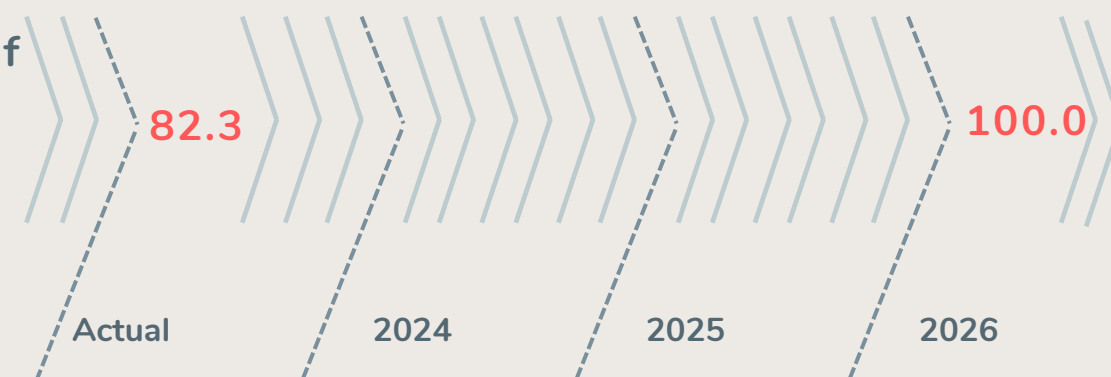
PROGRAMME 1205 - Social Security

AMD 112.9 bln

OBJECTIVE Ensuring implementation of the right to social security

OUTCOME Implementation of the right to social security

Amounts of benefits in case of old age, disability, survivor social beneficiaries' death in relation relative to the consumer basket, %.



Programme/measure	2023 AMD mln	2024 AMD mln	2024/2023 %
SOCIAL SECURITY	91,136.3	112,871.0	+23.8 ↑
Social Benefits for Old-Aged, Disabled or Survivor Social Beneficiaries' Death.	38,185.8	46,274.7	+21.2 ↑
Benefits in case of old age, disability, or loss of a breadwinner.	4,059.5	5,050.0	+24.4 ↑
Compensation of losses due to decisions of Civil Court of Appeal of the Republic of Armenia (Survivors).	10.1	9.7	-4.6 ↓
Compensation of losses to survivors social beneficiaries' death.	3.1	3.1	0.0
Social support to junior, intermediate and senior officers of the Ministry of Defense, the National Security Service of the RA, and junior, senior and chief officers of the RA Police.	0.2	1.4	+746.4 ↑
Compensation for the services provided by air transport to disabled persons and participants of the Great Patriotic War in the CIS territory.	0.9	2.0	+134.4 ↑
Compensation for damages caused to the life or health of servicemen during the defense of the Republic of Armenia.	42,431.8	51,300.0	+20.9 ↑
Social support for military personnel holding the military rank of the Ministry of Defense of the RA	0.1	0.2	+148.6 ↑
Social support for military personnel holding the military rank of the Ministry of Defense of the RA	18.0	18.0	0.0
Social support for military personnel holding the military rank of the Ministry of Defense of the RA	5,089.6	10,212.0	+100.6 ↑
Other measures	1,337.4	-	-

Source: RA Ministry of Finance, EDRC calculations

PROGRAMME 1205 – Social Security

Number of Beneficiaries of Social Benefits for Old-Aged, Disabled or Survivor Social Beneficiaries' Death

	2023	2024
Number of old age beneficiaries, persons	20,293	29,426
Number of disability beneficiaries, persons	56,402	59,702
Number of beneficiaries in case of Survivor Social Beneficiaries' Death, persons	12,732	13,736
Total beneficiaries, persons	89,427	105,994

Source: RA Ministry of Finance

Provision of refund to pensioners from the non-cash payments

	2023	2024
Number of beneficiaries making non-cash payments, persons	164,879	230,000
Number of beneficiaries making non-cash payments in the RA, persons		221,618
Number of beneficiaries making non-cash payments who were forcibly displaced from Nagorno-Karabakh, persons		8,382
Refund amount for one beneficiary, AMD		3,700

Source: RA Ministry of Finance

- Within the scope of the social security programme 105,994 citizens, including 3,130 beneficiaries forcibly displaced from Nagorno-Karabakh, receive benefits for old age, disability, or Survivor Social Beneficiaries' Death.
- The number of beneficiaries increased by 16,567 people or 18.5 % compared to the previous year.
- 56.3 % of beneficiaries are recipients of disability benefit. Old age beneficiaries are only 27.8 % of total number of beneficiaries.
- It is projected that the number of beneficiaries receiving refund to pensioners from the non-cash payments in 2024 will amount to 230,000, which is about 40 % more than the level of 2023. The average refund per beneficiary is AMD 3,700.

PROGRAMME 1068 - Improving Demographic Situation

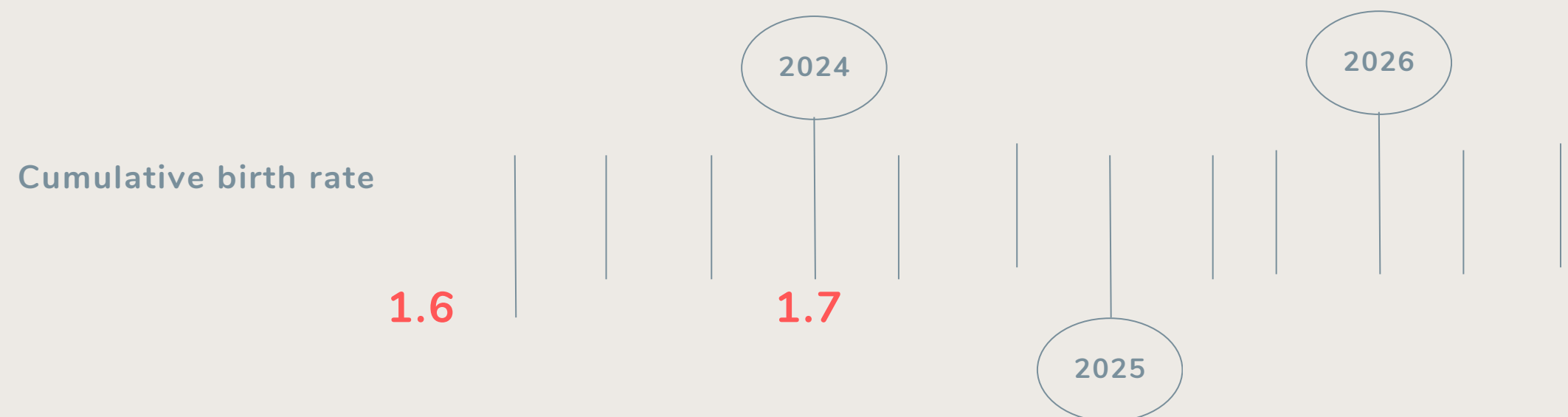
AMD 68.9 bln

OBJECTIVE | Promote improving demographic situation

OUTCOME | Improved demographic situation and increased number of large families

Programme/measure	2023 AMD mln	2024 AMD mln	2024/2023 %
IMPROVING DEMOGRAPHIC SITUATION	53,593.8	68,869.7	+28.5 ↑
Insuring benefits for childcare under 2 years	4.2	4.2	-0.5 ↓
Providing benefits for childcare under 2 years	20,388.9	29,069.7	+42.6 ↑
One-off child benefits	20,016.3	21,783.2	+8.8 ↑
Housing support for families with children	2,660.8	606.0	-77.2 ↓
Financial support for families with 3 or more children	10,441.3	17,406.7	+66.7 ↑
Providing partial compensation for certain costs of medical care and services by means of assisted reproductive technologies to parents of deceased military personnel	82.3	-	-

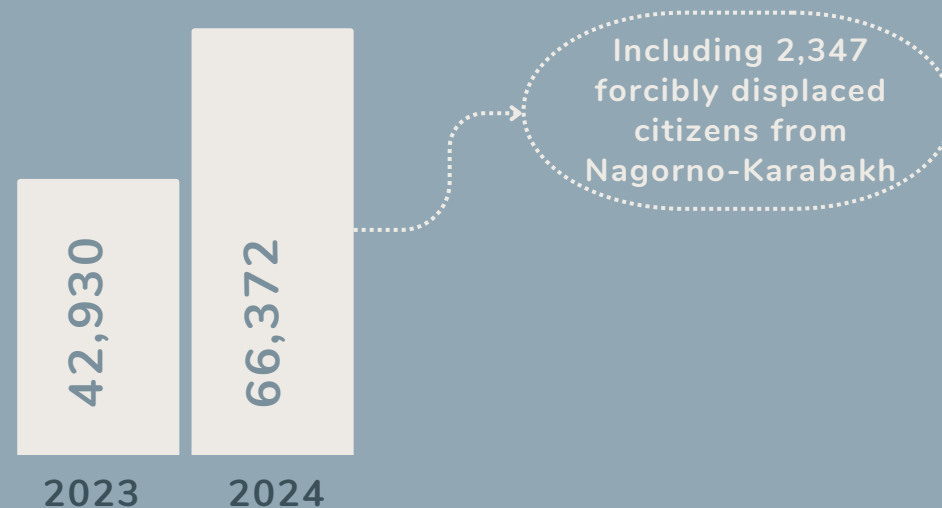
Source: RA Ministry of Finance, EDRC calculations



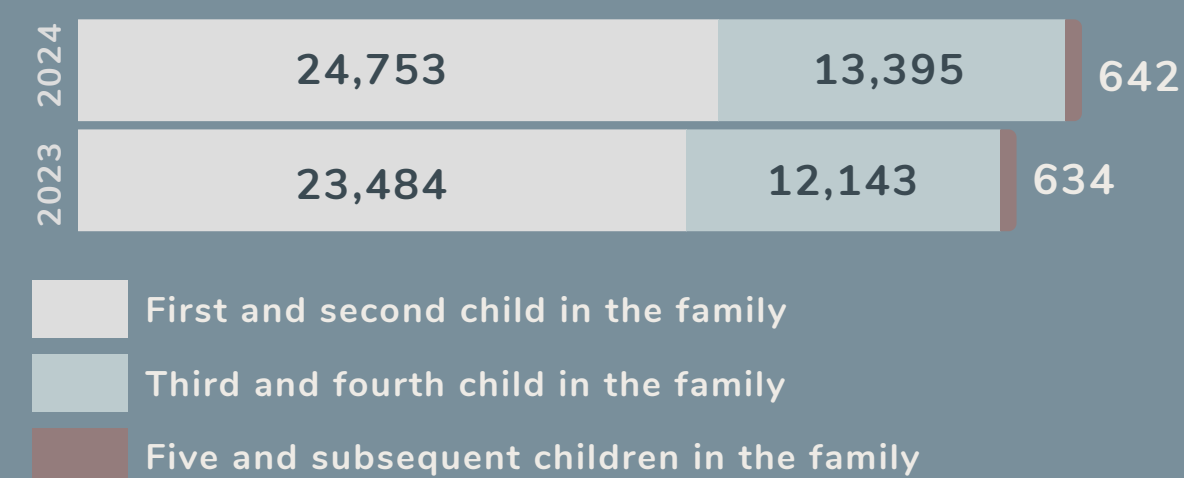
PROGRAMME 1068 - Improving Demographic Situation

- Resources allocated to Benefits for Childcare under 2 years are the largest share or 42.2% of the Programme budget. Resources allocated for these benefits will increase by AMD 8.7 bln and amount to about AMD 29.1 bln.
- Number of beneficiaries will increase by 25,276 individuals compared with the last year and reach 66,372 in 2024.
- 31.6 percent of the programme budget, or about AMD 21.8 bln, will be allocated to the provision of the one-off childbirth benefits.
- Compared to the previous year, the funds allocated for these benefits will increase by 8.8% or AMD 1.8 bln.
- Number of beneficiaries is estimated to reach to 38,790 families in 2024, against 36,261 families last year.
- Number of beneficiaries receiving benefits for the first and second child will increase by 5.4 % and amount to 24,753 families; the number of recipients of benefits for the third and fourth child will increase by 10.3 %, amounting to 13,395 families; and for the fifth and subsequent children will amount to 642 families (increase: 1.3 %).
- In 2024, the number of families with 3 or more children receiving financial support in the amount of AMD 50,000, will be 28,816, including 427 families forcibly displaced from Nagorno-Karabakh
- AMD 17.4 bln drams, or 25.3 % of the project budget, will be allocated to provide this financial support, an increase of 66.7 %, or about AMD 7 bln, compared to the previous year.

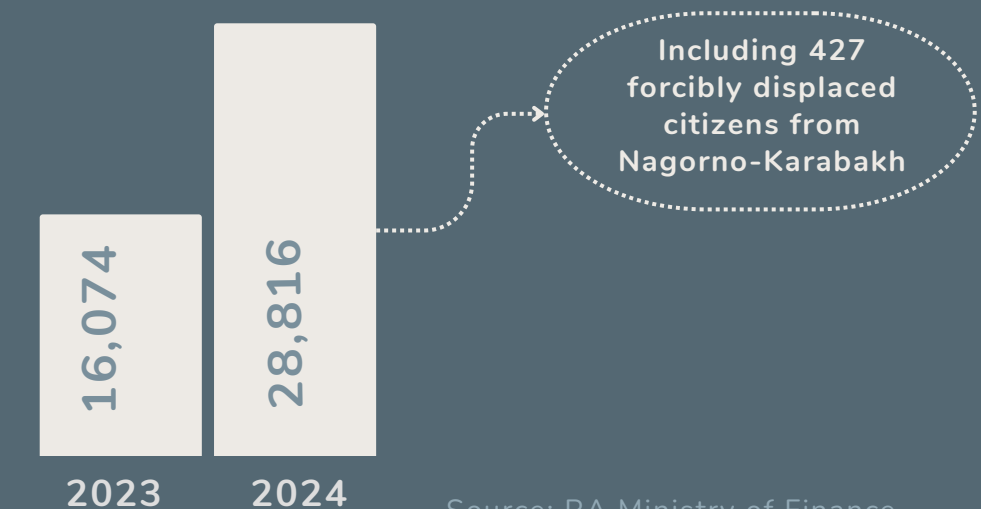
Number of citizens receiving benefits for childcare under 2 years



Number of beneficiaries receiving one-off child benefits



Number of families with 3 or more children receiving financial support in the amount of AMD 50,000

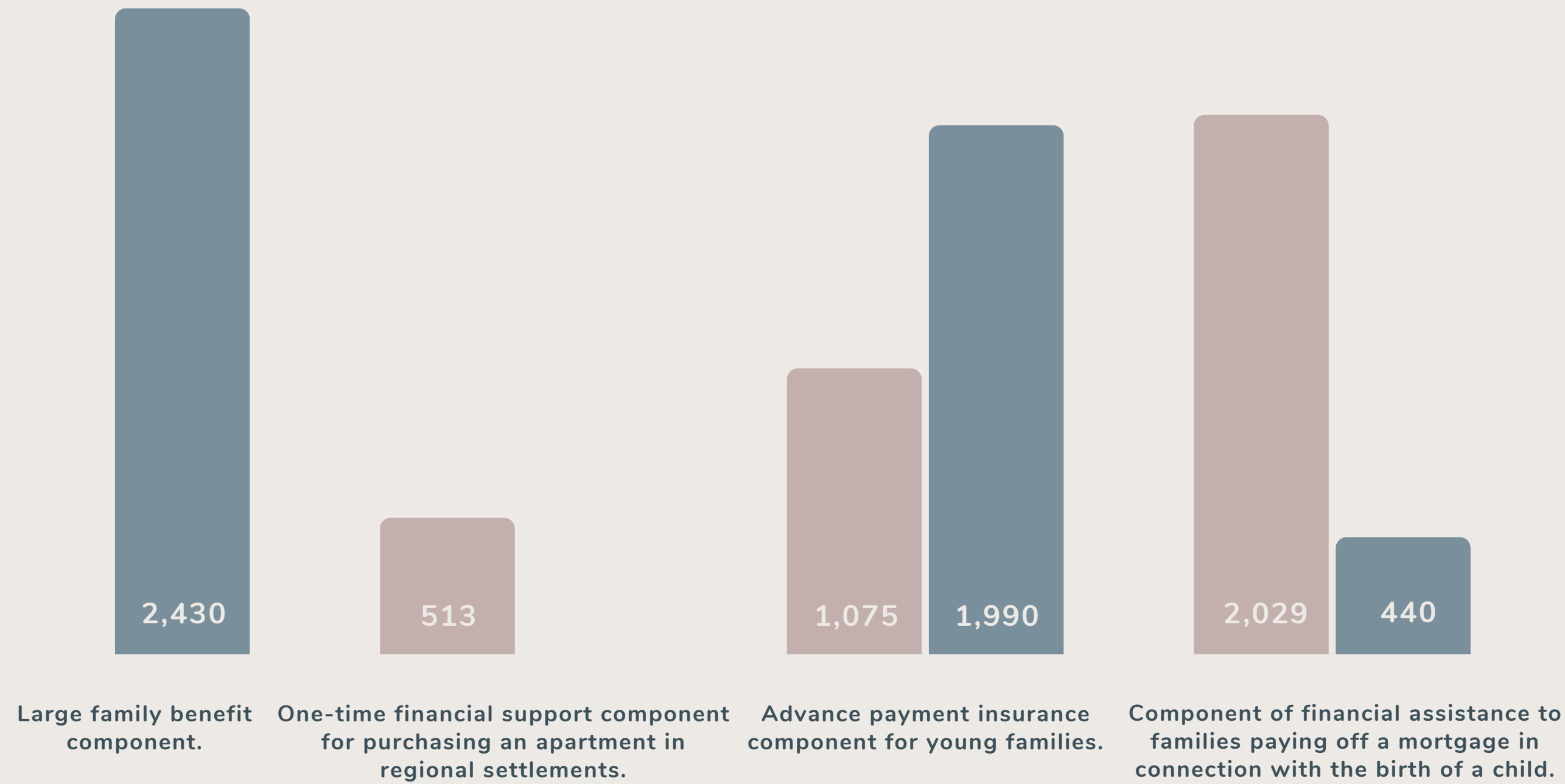


Source: RA Ministry of Finance

PROGRAMME 1068 - Improving Demographic Situation

Beneficiary families receiving housing assistance for families with children

■ 2023 ■ 2024



Source: RA Ministry of Finance

- AMD 606 mln financial recourses is allocated to provide housing to families with children in 2024, which is less by about AMD 2 bln or 77.2 % compared with the last year.
- About 4,860 families will receive housing support through various components of the programme, which are 1,243 more than in 2023.
- Significant increase in the number of families receiving support with the benefit component for large families, and the number of families of the advance payment insurance component for young families.

PROGRAMME 1082 – Social Support for Disability

AMD 22.6 bln

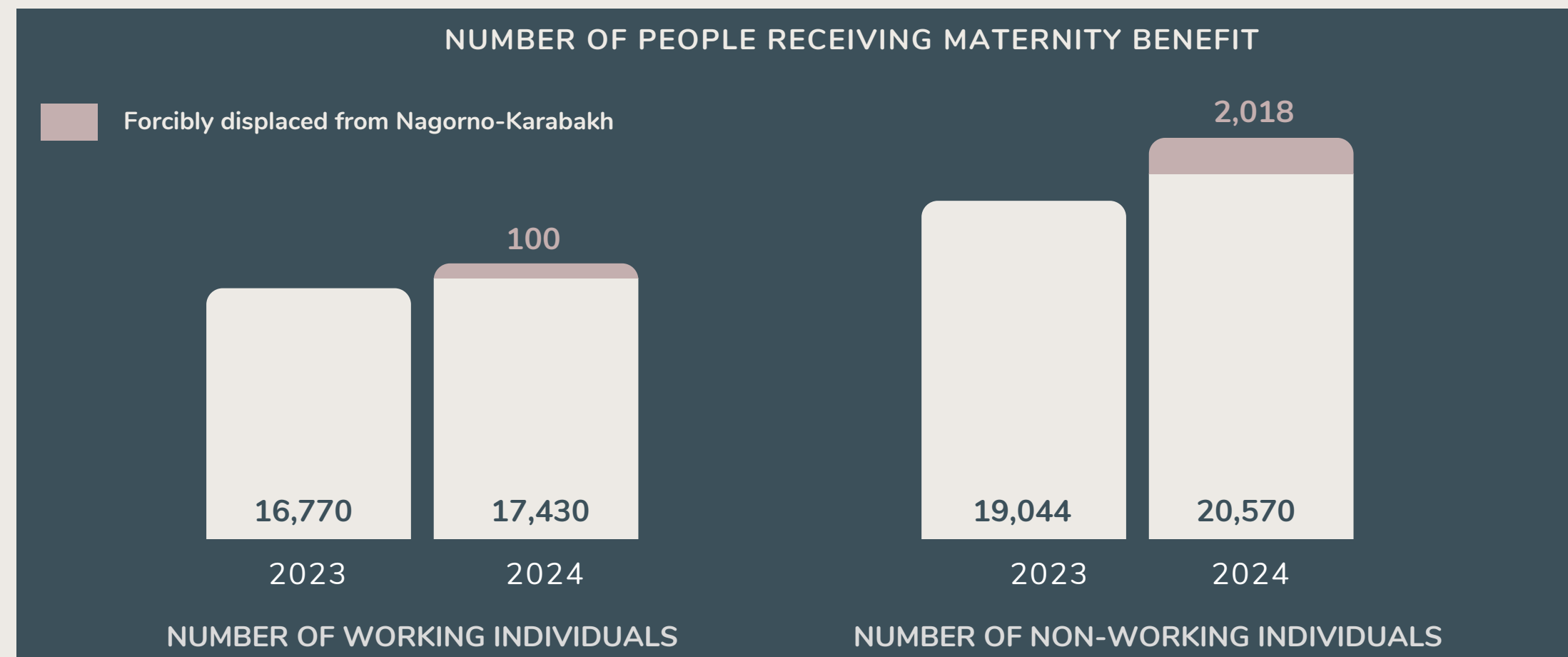
OBJECTIVE Partial compensation of losses.

OUTCOME Provision of partial compensation for loss of income due to disability.

- More than 72.9 % of the programme budget is allocated to the provision of Maternity Benefit.
- 40,118 beneficiaries will receive maternity benefits in 2024 as compared to 35,814 in 2023. 5.3 % of beneficiaries are forcibly displaced citizens from Nagorno-Karabakh.
- Notably, 43.7 % or 17,530 of the beneficiaries are working people, including 100 forcibly displaced from Nagorno-Karabakh.

Programme/measure	2023 AMD mln	2024 AMD mln	2024/2023 %
SOCIAL SUPPORT FOR DISABILITY	21,706.6	22,557.1	+3.9 ↑
Printing of temporary disability forms	8.7	5.0	-42.5 ↓
Benefits for temporary disability	5,094.2	5,880.1	+15.4 ↑
Maternity Benefits	16,378.1	16,440.7	+0.4 ↑
Compensation for physical damages suffered at work, as well as professional illnesses and other damages to health occurred due to performance of work duties.	225.6	231.3	+2.5 ↑

Source: RA Ministry of Finance, EDRC calculations



Source: RA Ministry of Finance

PROGRAMME 1011 – Support to Disadvantaged Social Groups

AMD 31.9 bln

OBJECTIVE

Assist to increase living standards of socially vulnerable families.

OUTCOME

Alleviation of poverty and reduction of extreme poverty.

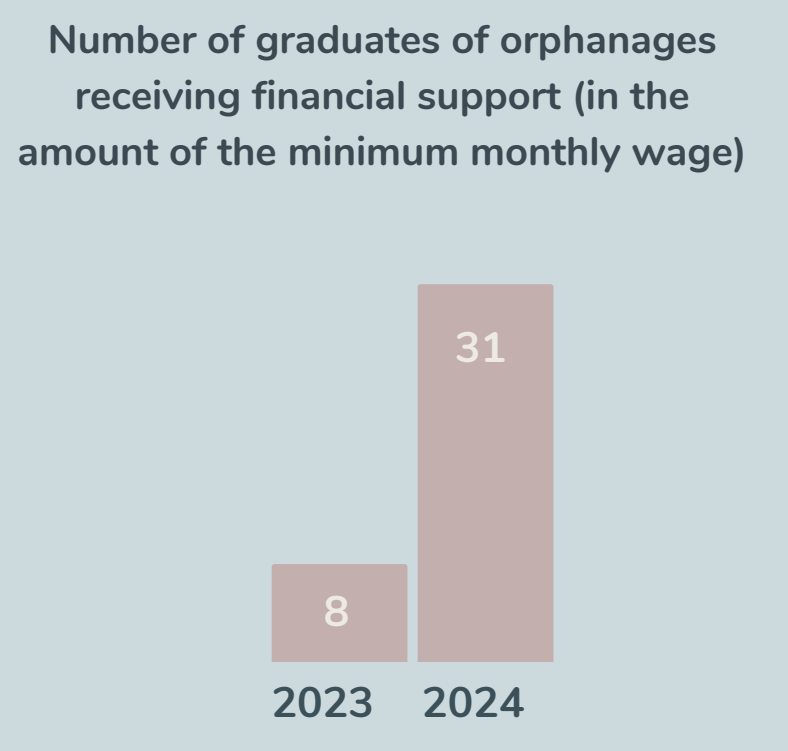
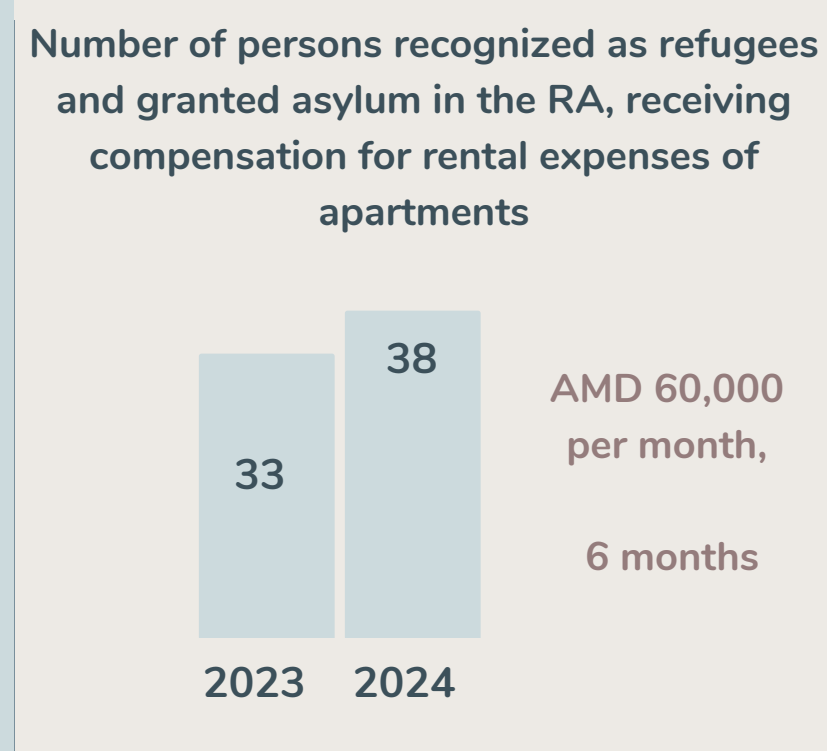
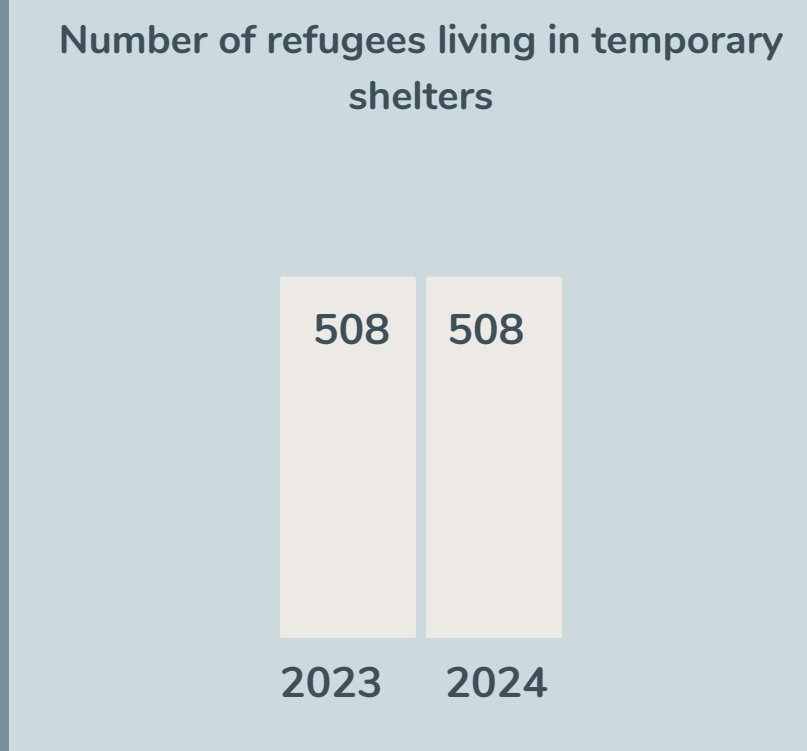
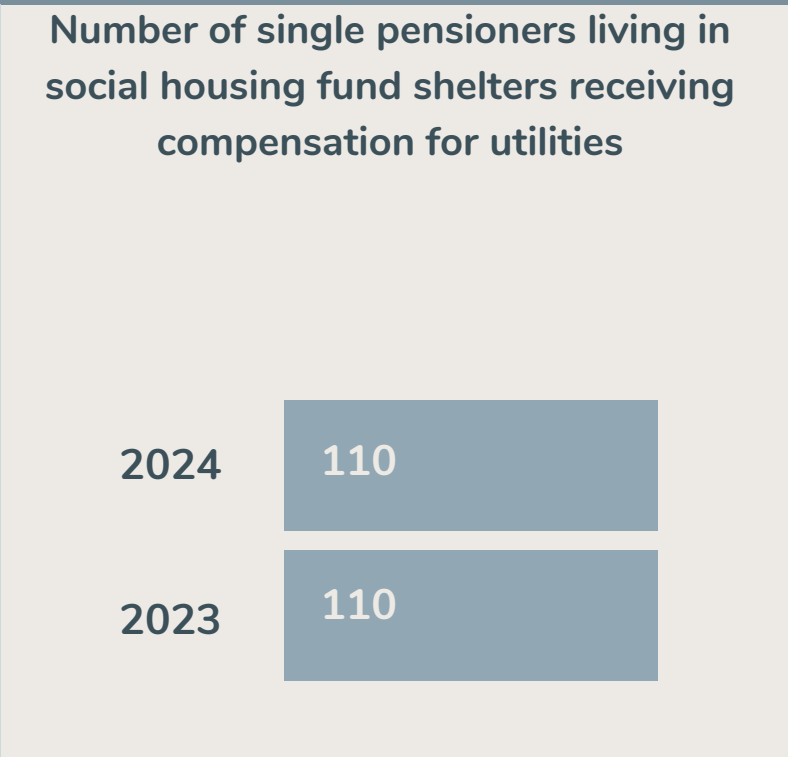
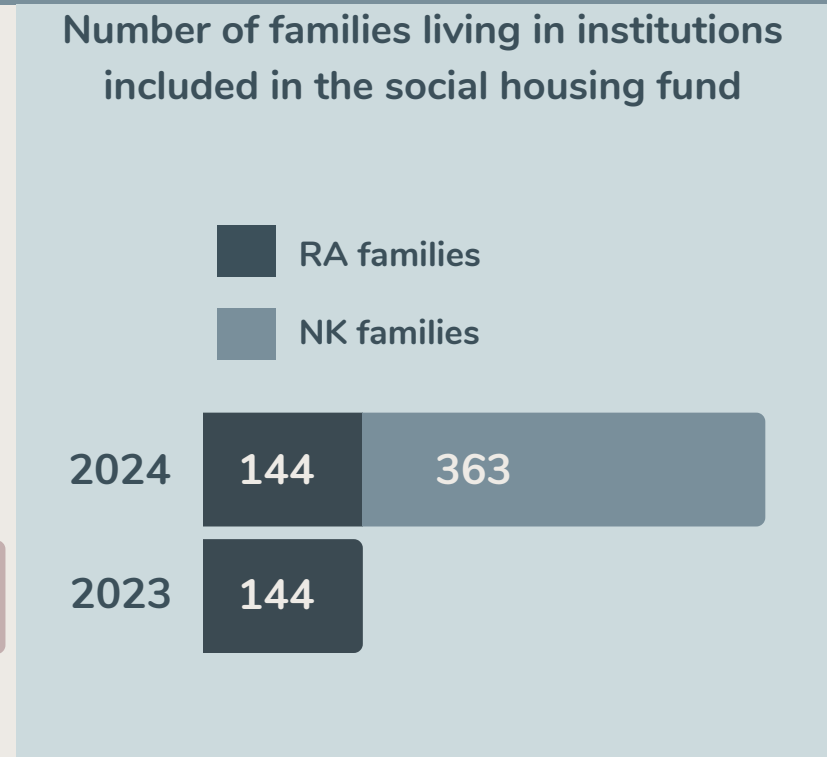
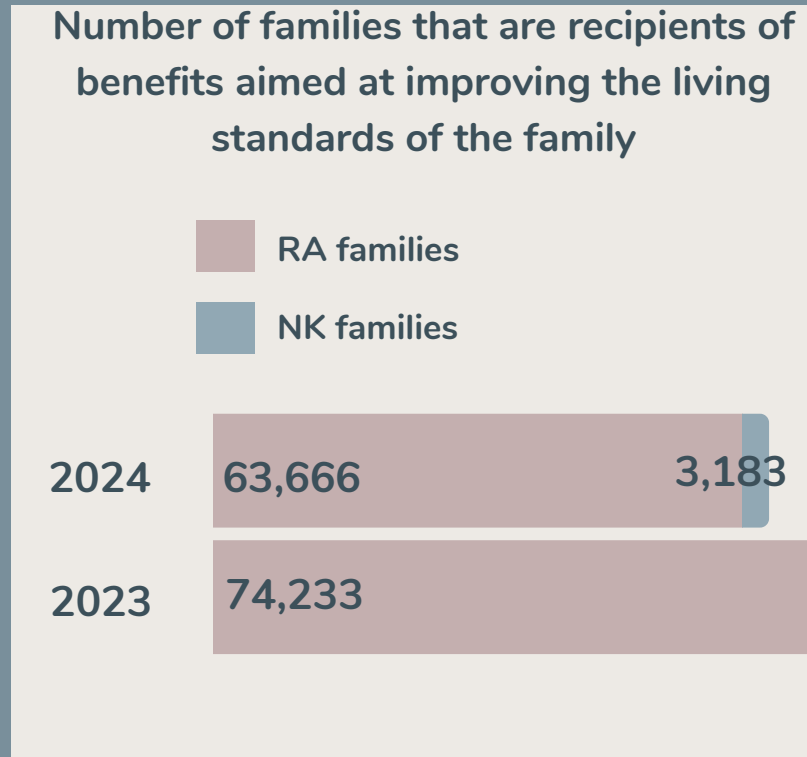
- The scope of the programme was expanded in 2024, a number of measures implemented within the framework of other budget programmes were included in its structure (see the table).
- More than 98.3 % of the programme budget is allocated to providing benefits aimed to increase living standards of the family.

Programme/measure	2023 AMD mln	2024 AMD mln	2024/2023 %
SUPPORT TO DISADVANTAGED SOCIAL GROUPS	26,767.9	31,942.4	+19.3 ↑
Ensuring implementation of benefits aimed to increase living standards of the family.	112.1	232.2	+107.1 ↑
Access to social case management services.	64.0	77.0	+20.3 ↑
Social emergency aid.	23.2	27.1	+16.7 ↑
Providing maintenance services of social housing fund.	19.4	55.4	+186.0 ↑
Implementation of measures to solve household problems of refugees living in temporary shelters.	-	34.8	-
Benefits to increase living standards of families.	26,549.2	31,411.3	+18.3 ↑
Reimbursement of costs for natural gas, electricity and water supply for single pensioners living in social housing fund shelters.	-	15.8	-
Financial support to graduates of state social protection institutions (orphanages).	-	27.9	-
Compensation of rent for housing for graduates of state social protection institutions (orphanages).	-	37.2	-
Providing compensation for rental expenses of apartments to persons recognized as refugees and granted asylum in the RA.	-	13.7	-
Primary Assistance Programme for Reintegration of Nationals Returning to the RA.	-	10.1	-

Source: RA Ministry of Finance, EDRC calculations.

PROGRAMME 1011 - Support to Disadvantaged Social Groups

- Average benefit to increase living standards of the family in 2024 is projected to equal to AMD 37,000. So far, 66,849 families, including 3,183 families forcibly displaced from Nagorno-Karabakh, will receive benefits.
- In 2024, a new system of family benefits aimed at eliminating extreme poverty will be introduced in step-by-step model.
- Models of step-by-step reduction, economic activation of every able-bodied person and inclusion in active employment programmes will be important from the point of view of overcoming poverty.



Source: RA Ministry of Finance

PROGRAMME 1141 – Support to Families, Women and Children

AMD 5.0 bln**OBJECTIVE**

Meeting the basic needs and social requirements of families, women and children in difficult life situations and their integrating into society.

OUTCOME

Improving and targeting social services provided to families, women and children, integrating families, women and children in difficult life situations into society.

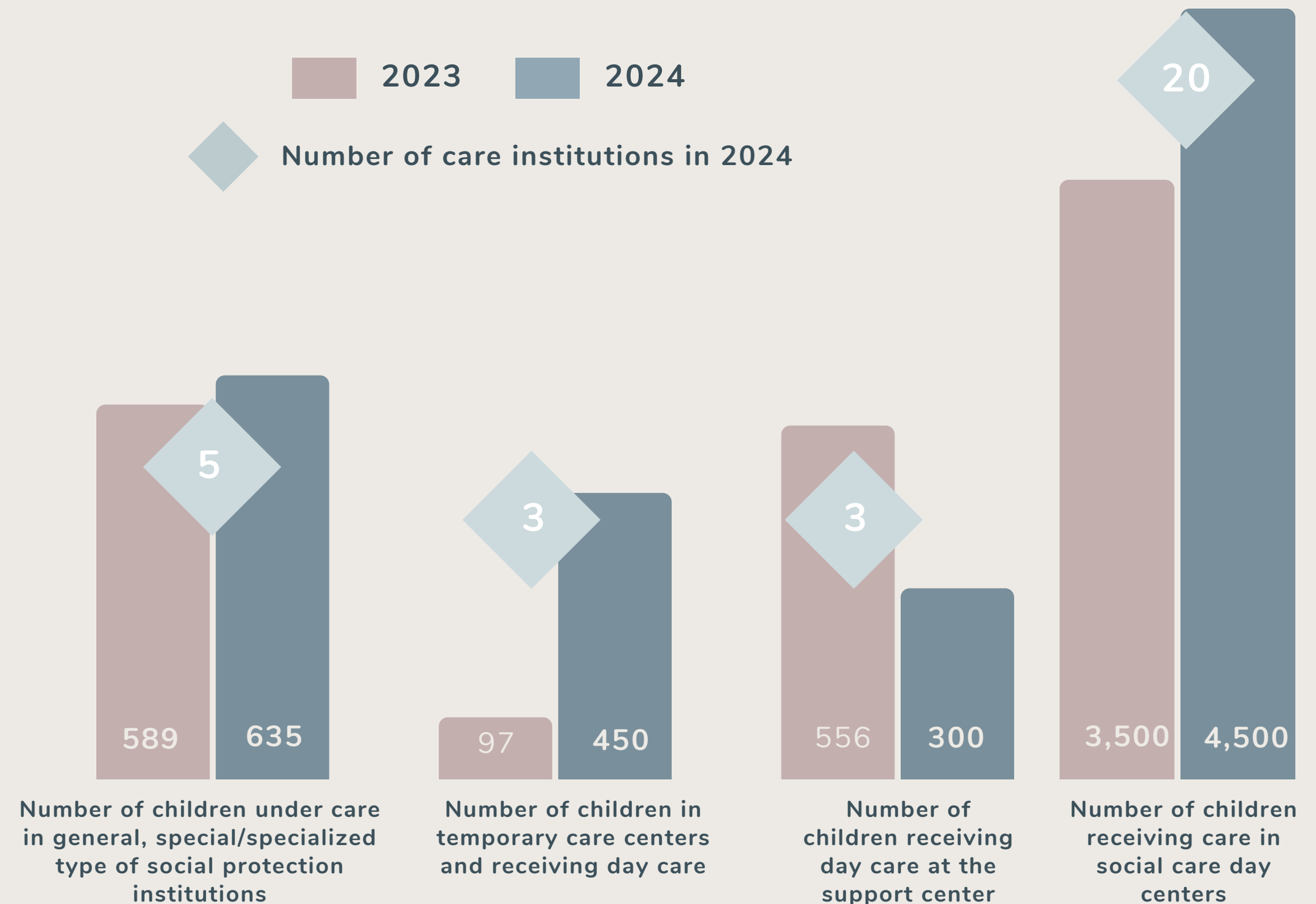
Programme/measure	2023 AMD mln	2024 AMD mln	2024/2023 %
SUPPORT TO FAMILIES, WOMEN AND CHILDREN	4,021.1	5,029.1	+25.1 ↑
Round-the-clock care services for children	2,389.9	2,647.2	+10.8 ↑
Temporary care services to children in difficult life situations	287.1	833.3	+190.3 ↑
Support services to children and families	517.8	355.0	-31.4 ↓
Social and psychological rehabilitation services to persons subjected to trafficking, exploitation, and sexual violence	30.7	32.1	+4.5 ↑
Shelter services for victims of domestic violence	12.2	12.2	0.0
Services of support centers for victims of domestic violence	93.1	96.7	+3.9 ↑
Providing day care services for children	436.5	650.6	+49.0 ↑
Financial support to children attending school, who live in round-the-clock childcare social protection institutions for the population	3.4	31.4	+824.4 ↑
Provision of monthly financial assistance in the amount of a consumer basket to graduates of social protection institutions providing round-the-clock childcare	1.7	-	-
Providing support for care and upbringing of a child in a foster family	235.0	353.8	+50.5 ↑
Providing one-off monetary compensation to victims of human trafficking (and/or exploitation)	1.8	1.8	0.0
Temporary support victims of domestic violence	10.7	15.0	+40.8 ↑
Rental of apartments for graduates of social protection institutions	1.4	-	-

Source: RA Ministry of Finance, EDRC calculations

PROGRAMME 1141 - Support to Families, Women and Children

- More than 96.3 % of the programme budget is allocated to provide care and support services for 5,885 children in difficult life situations, including 1,020 displaced children from Nagorno-Karabakh.
- In terms of increase in the volumes of financing, the increase in expenditures for temporary care services for children in difficult life situations is essential; compared to the actual level of the previous year, it has increased by about 3 times.
- Expenditures for round-the-clock childcare services and day-care services to children will increase by 10.8% and 49.0 %, respectively.
- Resources allocated to provide support to care and education of the child in foster families will increase by 50.5 % and amount to AMD 353.8 mln, which will be used to organize care and education of 170 children in 111 foster families, 20 of which are children in difficult life situation as a result of the forced displacement of the population from Nagorno-Karabakh.
- AMD 96.7 mln will be allocated to the support centers for persons subjected to domestic violence: shelter services will be provided to 60 and support services to 1,500 beneficiaries. In addition, AMD 15 mln, which is an increased of 40.8 % compared to last year, is allocated for the temporary support to victims of domestic violence.

Number of institutions providing childcare services and number of their beneficiaries



Source: RA Ministry of Finance

PROGRAMME 1098 - Housing

AMD 4.8 bln

OBJECTIVE

Assistance in providing housing to homeless people having no permanent place of residence in the Republic.

OUTCOME

Improving provision of housing for homeless persons having no permanent place of residence in the Republic.

Programme/measure	2023 AMD mln	2024 AMD mln	2024/2023 %	Number of beneficiaries/families
HOUSING	2,572.7	4,837.3	+88.0 ↑	-
Providing housing to families having become homeless due to earthquake.	-	357.5	-	44
Provision of housing and improvement of housing conditions to the homeless families of deceased (killed) and disabled soldiers of the First, Second and Third Categories.	473.1	494.0	+4.4	43
Providing free state financial assistance to military personnel of the RA Defense System, persons equated with them and members of their families in need of improving their housing conditions, to acquire housing.	460.6	921.0	+100.0	100
Providing state support to ensure affordable housing for displaced families from different regions of Nagorno-Karabakh.	1,612.2	2,000.0	+24.1	4,032
State support for affordable housing for families in border settlements.	26.5	467.5	1,661.6	540
Compensation for renting apartment.	-	135.0	-	375
Housing construction.	0.3	462.4	+	36

Source: RA Ministry of Finance, EDRC calculations

- AMD 2 bln or 41.3 % of the budget of Housing Provision Programme will be allocated to providing access to housing for 4,032 families forcibly displaced from different regions of Nagorno Karabakh. In particular, for acquiring real estate or building individual residential house.
- State support for affordable housing in border settlements will be provided to 540 families.
- It is also planned under the programme to pay compensation for renting an apartment for up to six months to convicts released from punishment and who have no place to live. Number of beneficiaries of the measure in 2024 is 375; the amount of the sum allocated for rent is AMD 60,000.
- Housing conditions of 43 homeless families of deceased (killed) soldiers, as well as 100 families of military personnel in need of improved housing conditions, will be improved.

PROGRAMME 1032 - Providing care for the elderly and/or individuals with disability, organizing meals and accommodation for people in difficult life situations

AMD 4.5 bln

OBJECTIVE

Providing care for the elderly and/or persons with disability, organizing meals and accommodation for people in difficult life situations.

OUTCOME

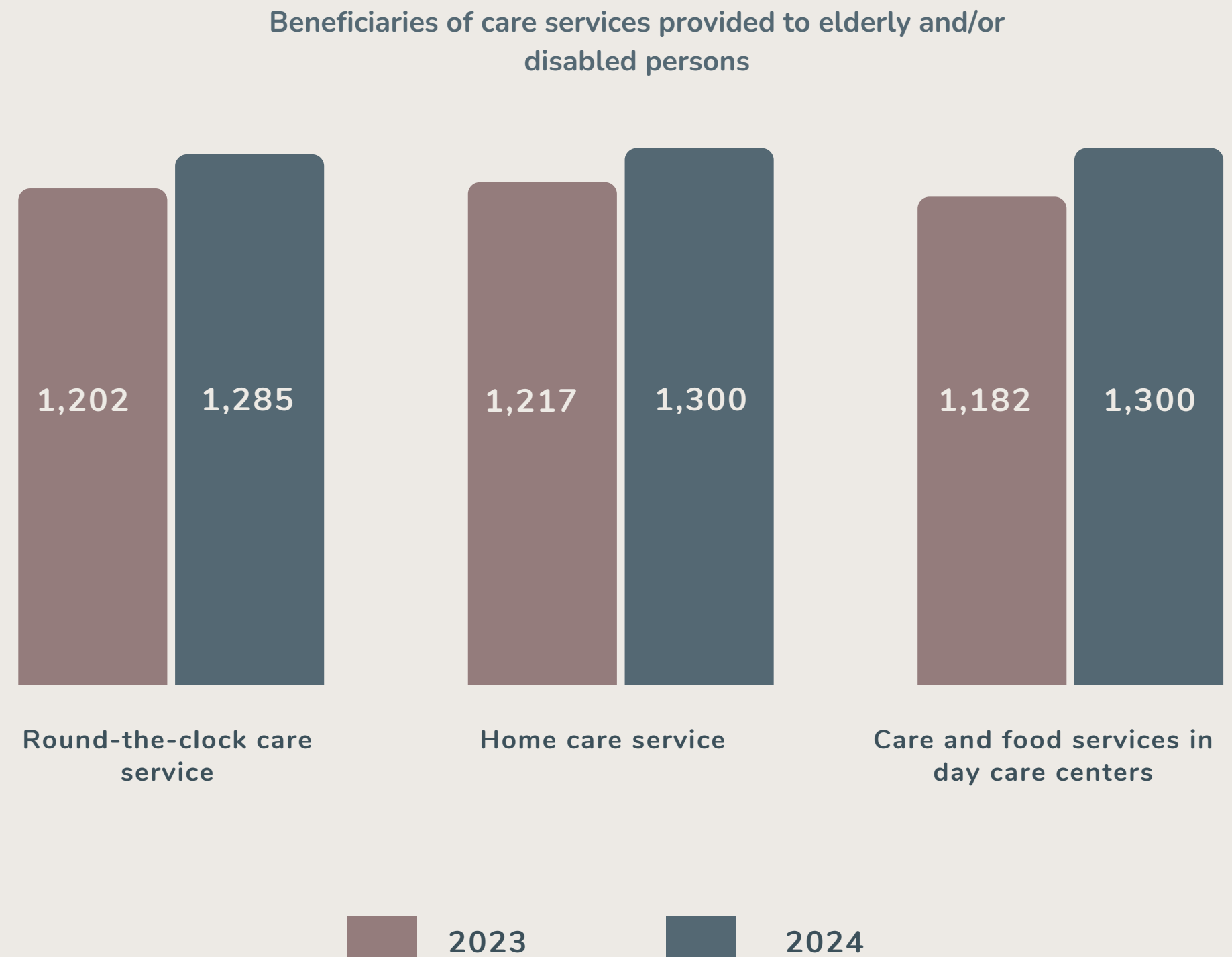
Improving quality of care services for elderly and/or individuals with disabilities.

Programme/measure	2023 AMD mln	2024 AMD mln	2024/2023 %
PROVIDING CARE FOR THE ELDERLY AND/OR PERSONS WITH DISABILITY, ORGANIZING MEALS AND ACCOMMODATION FOR PEOPLE IN DIFFICULT LIFE SITUATIONS	3,575.0	4,530.6	+26.7 ↑
Round-the-clock care services for the elderly and individuals with disabilities.	3,025.5	3,326.4	+9.9 ↑
At-home care services for the elderly and individuals with disabilities.	219.8	248.3	+13.0 ↑
Providing day care for the elderly and/or persons with disability and organizing meals for socially vulnerable individuals.	155.4	171.1	+10.1 ↑
Providing round-the-clock care services for the elderly and individuals with disabilities in Lori marz.	35.3	35.3	0.0
Providing housing to homeless.	63.8	70.8	+10.9 ↑
Improving building conditions of small community care homes for individuals over 18 years of age.	42.6	-	-
Improving building conditions of state non-commercial organizations providing round-the-clock and day care.	32.6	678.8	+ 1,982.3 ↑

Source: RA Ministry of Finance, EDRC calculations

PROGRAMME 1032 - Providing care for the elderly and/or individuals with disability, organizing meals and accommodation for people in difficult life situations

- 1,285 people (including 80 forcibly displaced persons from Nagorno-Karabakh) will receive round-the-clock care in 2024; 1,300 people will receive home care services (including 100 forcibly displaced from Nagorno-Karabakh); 300 people (including 100 forcibly displaced from Nagorno-Karabakh) will receive food in charity canteens.
- Around 100 beneficiaries will be provided with temporary housing for the homeless.
- Works to improve the building conditions of SNCOs providing round-the-clock care will be launched.
- Delegation of services to NGOs through tenders is encouraged. Mission Armenia, Armenian Caritas, Armenian Red Cross Society, Armavir Development Center, and Association for Healthcare and Assistance to Older People NGOs provide services within the framework of the project.



Source: RA Ministry of Finance

PROGRAMME 1160 – Support to Persons with Disabilities

AMD 2.3 bln**OBJECTIVE**

Meeting the basic requirements and social needs of people with disabilities and their social integration into the society.

OUTCOME

Increasing addressability and efficiency of social services provided to persons with disabilities

Programme/measure	2023 AMD mln	2024 AMD mln	2024/2023 %
SUPPORT TO PERSONS WITH DISABILITIES	2,055.2	2,298.7	+11.8 ↑
Ensuring implementation of the programme of services provided to persons with disabilities.	-	1.9	-
Social and psychological rehabilitation of visually impaired people.	11.0	11.6	+5.0 ↑
Social rehabilitation services for persons with disabilities in the day-care center.	196.4	218.6	+11.4 ↑
Round-the-clock care services for people with disabilities in small community-based group homes.	78.5	92.1	+17.4 ↑
Provision of supporting means to persons with disabilities.	3.5	-	-
Personal assistant service.	-	151.0	-
Provision of supporting means through state certificates.	1,765.8	1,823.4	+3.3 ↑

Source: RA Ministry of Finance, EDRC calculations

- The scope of inclusion of the programme will be expanded in 2024, and it is planned that the share of programme beneficiaries in the total number of persons with disabilities will increase from 11.1 % to 11.8 %.
- It is planned to allocate around AMD 2.3 bln to the programme in 2024, which is 11.8 % more than the level of the last year. AMD 151.1 mln from this amount will be allocated to 100 beneficiaries of the new "Personal Assistant Service" measure.
- More than 79.3 % of the project budget is allocated to the provision of support through state certificates/ vouchers.
- 445 persons with disabilities will receive social rehabilitation services in 10 day care centers, and 70 persons will receive round-the-clock care services in 5 small community-based group homes.

PROGRAMME 1088- Employment Programme

AMD 638.5 bln

OBJECTIVE

Creating conditions aimed at ensuring permanent and temporary employment of the population.

OUTCOME

Increase in the number of permanent and temporary employed.

- The programme budget will be decreased by 28.4 %.
- It is planned to include 1,217 beneficiaries in the employment measures in 2024, of which 942 beneficiaries in the framework of seasonal employment provision measure.
- AMD 289.6 mln is allocated to organize vocational/professional training and ensure employment of unemployed persons who participated in the military operations as a result of war unleashed by Azerbaijan in 2016 and 2020, the service will be provided to 275 beneficiaries.
- In the case of employment of the unemployed within the framework of ensuring employment of unemployed measure, the employer(s) will be provided a one-off compensation for 177 beneficiaries.

Programme/measure	2023 AMD mln	2024 AMD mln	2024/2023 %
EMPLOYMENT PROGRAMME	892.1	638.5	-28.4 ↓
Electronic Labour Exchange" grant programme implemented with the support of the Eurasian Development Bank.	47.9	58.2	+21.5 ↑
Support to agricultural farms by promoting seasonal employment.	538.2	237.4	-55.9 ↓
Assistance in organizing childcare in parallel with work for persons on parental leave for a child under the age of three, in the event of returning to work before the child reaches the age of two.	26.3	-	-
Organizing vocational/professional training and ensure employment of unemployed persons who participated in the military operations as a result of war unleashed by Azerbaijan in 2016 and 2020.	162.5	289.6	+78.2 ↑
Employment promotion measure.	0.1	0.9	+951.3 ↑
Ensuring employment of unemployed.	6.2	52.4	+744.9 ↑
Technical saturation within the framework of the "Electronic Labour Exchange" grant programme implemented with the support of the Eurasian Development Bank.	110.9	-	-

Source: RA Ministry of Finance, EDRC calculations

PROGRAMME 1225 - Social support to certain social groups to response crises, reduce and eliminate the consequences of emergency situations

AMD 15.0 bln

OBJECTIVE

Assist to mitigate the negative consequences of social problems that families face in crisis response and emergency situations.

OUTCOME

Provision of monetary assistance to families to mitigate negative effects of social problems resulted in crisis response and emergency situations.

- Forcibly displaced persons from Nagorno Karabakh are beneficiaries of the programme. The programme budget in 2023 was over AMD 28.7 bln.
- 114,009 persons were beneficiaries of the programme in 2023; they received one-off monetary assistance to cover the housing and communal costs, as well as basic consumer expenses.
- Social assistance in 2024 will continue only to cover the expenses for living in temporary housing and the utility costs, AMD 15 bln is allocated for this purpose.
- It is planned to provide the social support for a period of 3 months in the amount of AMD 50,000 per month.

Programme/measure	2023 AMD mln	2024 AMD mln	2024/2023 %	2023 number of beneficiaries	2024 number of beneficiaries
SOCIAL SUPPORT TO CERTAIN SOCIAL GROUPS TO RESPONSE CRISES, REDUCE AND ELIMINATE THE CONSEQUENCES OF EMERGENCY SITUATIONS	28,746.0	15,000.0	-47.8 ↓	-	-
Providing one-off monetary assistance to forcibly displaced persons from Nagorno Karabakh.	11,189.7	-	-	114,009	-
Social support to forcibly displaced persons from Nagorno Karabakh to live in temporary housing and assistance in paying for utilities.	11,185.6	15,000.0	+34.1 ↑	78,162	100,000
Social assistance to forcibly displaced persons from Nagorno Karabakh to cover basic consumer expenses.	6,370.7	-	-	63,707	-

Source: RA Ministry of Finance, EDRC calculations



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