

Sustainable Housing Solutions for Vulnerable Communities in Gyumri and Tashir, Armenia

Project Proposal: Prepared by Union of Communities of Armenia (UCA)

1. Problem Justification and Analysis

The proposed project addresses the critical need for safe and secure housing for vulnerable families in Gyumri and Tashir, Armenia.

In September 2023, following a large-scale military offensive by Azerbaijan, over 100,000 ethnic Armenians-virtually the entire population of Nagorno-Karabakh (Artsakh)-were forcibly displaced from their homeland. This rapid and traumatic exodus and ethnic cleansing, left families without shelter, livelihoods, and security. Most sought refuge in Armenia, straining the country's already limited housing and social services.

The Armenian government provided temporary social support for vulnerable groups, including for rental housing. However, with increasing housing costs, this aid has proven insufficient. Thousands of displaced families remain in overcrowded or substandard accommodations. In the project target communities, in Gyumri and Tashir, there are almost 1,300 displaced which are further stressing local infrastructure. Therefore, the need for permanent housing solutions and sustainable social integration remains urgent.

In addition, Decades after the 1988 earthquake, hundreds of families in Gyumri still reside in temporary, dilapidated "domiks" (wagons), basements of semi-destroyed buildings, or unsafe structures. These accommodations lack basic amenities such as heating, sanitation, and consistent water supply, leading to dampness, poor insulation, and overall hazardous living conditions. Many of these families have a long history of being registered for state or international housing programs without a permanent solution.

This pervasive housing crisis not only threatens physical safety but also undermines the social, psychological, and educational stability of these families. The proposed program aims to provide a long-term solution by delivering not just housing, but also a new quality of urban development and community integration. The Government of Armenia supports the project with an official letter as a humanitarian and construction priority.

2. Overall, Specific Objectives, Outcomes and Activities of the Project

Overall Objective: Improve the living conditions and urban resilience of vulnerable and displaced families in Gyumri and Tashir by providing sustainable and secure, housing.

Project Impact:

- Quality of life 90% of beneficiary families reportedly has significantly been improved.
- All beneficiary families have long-term secure housing.
- All beneficiary households have full legal ownership and cadastral registration.

Specific Objective: To ensure the resettlement and sustainable integration of targeted families into newly built housing units within inclusive, well-serviced communities.

Project Outcomes:

- 1287 resettled families in newly built housing units.
- 85% of households actively participate in condominium governance.
- 100% of buildings with operational communal service connections.

Project Activities

A1. Conduct detailed designs, site surveys, and arrange construction permitting process

The project is expected to start in September 2025 with a preparation phase, focusing on essential groundwork for upcoming construction activities. Key preparation efforts include the development of architectural and engineering designs and expertise of the design, execution of geodetic surveys, and initiation of legal arrangements for land allocation. Procurement package for construction activities will be prepared and competition will be announced for construction design, author's control and technical inspection. Coordination will be ensured with the RA Ministry of Territorial Administration and Infrastructure, municipalities of Gyumri and Tashir. Land transactions will be formalized, and construction permits issued. Simultaneously, technical documentation will be developed and submitted for expert review and approval. Important part of preparation phase is recruitment of the project management team. The duration of this activity is 4 months.

Output 1 for A 1	Output Indicator	Target
Completed architectural/engineering designs and construction permits	% of construction permits and engineering designs finalized	100%

A2. Implement earthquake-resistant residential housing construction

The construction activities will start from the 5th month of the project and will be completed in the 12th month considering the important aspect – seasonality - of this activity. The construction phase will involve the development of approximately 1,287 housing units, each averaging 70 m², across several phases - in Gyumri (997 families: phase 1 – 360 apt, phase 2 – 360 apt, phase 3 – 240 apt), Shirak region and in Tashir (310 families: phase 1 – 120 apt, phase 2 -100 apt, phase 3 -100), Lori region. Activities will include site preparation, excavation, foundation works, and full-scale construction (totaling 72,300 m² at \$1,500/m²). Local construction companies will be contracted, with a strong emphasis on engaging local labor and sourcing building materials from regional suppliers. Qualified engineers and construction specialists will oversee quality assurance through authors' inspection and technical supervision. The construction activities will be subject to technical supervision and ongoing public monitoring in both municipalities. The project includes a 10% contingency reserve to cover potential cost escalations due to inflation, raw material shortages, or legal and technical delays. This reserve also accounts for adaptive infrastructure solutions that may arise during construction, such as seismic reinforcement. It ensures uninterrupted implementation and risk mitigation throughout the project lifecycle.

Output 2 for A 2	Output Indicator	Target
Fully constructed residential units with utilities	Number of residential units completed	1,287 units

A3. Install essential engineering infrastructure

The project includes the construction and instating of essential engineering infrastructure-such as water supply, sanitation, electricity, and gas networks-for newly built residential buildings. Infrastructure development will be implemented through a transparent, competitive procurement process to ensure quality, efficiency, and cost-effectiveness. The project includes a 10% contingency reserve to cover potential cost escalations due to inflation, raw material shortages, or legal and technical delays. This reserve also accounts for adaptive infrastructure solutions that

may arise during construction, such as emergency drainage systems. It ensures uninterrupted implementation and risk mitigation throughout the project lifecycle.

Output 3 for A 3 Operational water, gas, electricity, and sanitation systems	Output Indicator % of units with fully functioning utility connections	Target 100%
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A4. Ensure proper completion of construction: internal finishing and external site development

This activity will start from the 5th month of the project and will be completed in the 24th month of the project. The construction completion phase will ensure full delivery of residential buildings through high-quality internal finishing works and comprehensive external site development, including landscaping and public space improvement. All activities-including internal and external finishing-will be procured through a competitive and transparent process. Priority will be given to engaging local suppliers, construction companies, and workforce to promote community-level economic development and ownership.

Output 4 for A 4 Completed residential buildings with internal finishing and improved surrounding infrastructure.	Output Indicator Number of residential buildings with fully completed internal and external finishing.	Target - 100% of completed internal finishing and external landscaping. - Up to 70% of local procurement contracts
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A5. Ensure transparent beneficiary engagement and selection process

The project will directly benefit approximately 1,287 housing units - 997 families in Gyumri and 310 families in Tashir starting from 25th month of the project. The primary target groups include displaced families from Artsakh currently residing in substandard, overcrowded, or temporary shelters-such as “domics”, dormitories and semi-ruined buildings, as well as socially vulnerable households from bordering regions. These include families with elderly members (over 63 years old), persons with disabilities, single-parent and large families, and those who have lost family member during 2020 war and following military actions beyond the war.

Beneficiaries are identified through a transparent, criteria-based process. Preliminary beneficiary lists are developed based on documented socio-economic and housing vulnerability assessments conducted by Gyumri and Tashir municipalities and state social services. Families that have been on long-term waiting lists under previous government or international housing programs but remain unsheltered also are given priority.

Participation in the project is formalized through signed participation agreements, ensuring clarity of obligations and future accountability. The number of allocated apartment rooms will be based on RA legislation considering household size and specific needs, following an equitable prioritization system. The project management team, in close coordination with community authorities, will facilitate the overall process, while the final beneficiary selection will be endorsed by the respective managed by community selection committees under the coordination of local municipalities and with the involvement of independent observers.

Output 5 for A 5	Output Indicator	Target
Vulnerable and displaced families identified and selected through a transparent beneficiary selection process.	Number of eligible families selected and confirmed for project in the housing program based on approved criteria.	1,287 households (997 in Gyumri and 310 in Tashir) selected and confirmed as project beneficiaries.

A6. Support formation of community management structures

To ensure sustainable integration and long-term impact, the project will mobilize and empower the approximately 1,300 beneficiary households in Gyumri and Tashir through structured engagement and capacity-building activities. Prior to moving into their new apartments, residents will participate in tailored trainings on apartment ownership rights registration, building maintenance, and collective management structures in line with Armenian legislation. Special focus will be placed on forming and formalizing condominium associations to enable residents to jointly manage and maintain shared spaces and infrastructure. The project team will work closely with local authorities and provide legal, financial, and organizational support to facilitate the handover of management responsibilities to the residents and communities upon project completion. A beneficiary satisfaction survey will be conducted to assess the quality of support and identify areas for continuous improvement. The overall process aims to promote local ownership, social cohesion, and sustainable community development.

Output 6 for A 6	Output Indicator	Target
Established condominium associations	Number of condominiums legally registered and functional	≥ 16

A7. Facilitate resettlement and follow-up support

The project will organize and coordinate the relocation of selected beneficiaries into newly constructed apartments through a structured and supportive process. Each household will receive assistance in registering their property ownership rights with the Support will also cover the preparation and finalization of all required housing documents, including property handover acts. The project team will guide residents through each step to ensure a smooth, transparent, and dignified transition.

Output 7 for A 7	Output Indicator	Target
Families relocated into new homes with legal titles	% of families relocated and registered with titles	100%

A8. Construction of modern out-patient clinic. As part of the integrated neighborhood development approach, the project will construct a modern out-patient clinic in Gyumri to serve residents of the newly built residential buildings. This clinic will ensure accessible, high-quality primary healthcare and promote well-being of residents. The facilities will be equipped with essential medical equipment including examination tables, diagnostic tools, and first aid supplies.

Output 8 for A 8	Output Indicator	Target
Out-patient clinic constructed and equipped to provide primary healthcare services to residents of the new residential neighborhood in Gyumri.	Number of fully operational and equipped out-patient clinics serving the new community	1

3. Implementation Approach/Methodology

The implementation approach emphasizes community-centric development, transparency, and sustainable solutions for long-term impact.

General approach

- **Needs-Based Planning:** Initial assessments and beneficiary analysis have already identified the critical housing gaps in Gyumri and Tashir, ensuring that the project directly addresses the most pressing needs.
- **Phased Construction:** The project will adopt a phased construction approach, allowing for efficient resource allocation, adaptive management, and continuous monitoring of progress.
- **Community Engagement:** Beneficiaries will be involved throughout the project, particularly in the selection process and in preparation for managing their new homes through condominiums. Selection commission and independent observers will ensure transparency in beneficiary identification and selection.
- **Partnerships and Coordination:** Strong collaboration with the RA Ministry of Territorial Administration and Infrastructure, Gyumri and Tashir municipalities, and the Communities Association of Armenia is foundational.
- **Quality Assurance:** Author's inspection and technical supervision will be integrated into the construction process to ensure adherence to safety standards, particularly seismic norms, and high-quality construction.
- **Social Integration:** Beyond housing, the project will promote urban development and community integration. This includes developing public spaces and preparing beneficiaries for collective management within their new communities.
- **Sustainability Focus:** The approach is designed to foster long-term sustainability through free transfer of property ownership, training on condominium management, and ongoing support from local authorities for utilities and maintenance.

Beneficiary Selection Approach

Beneficiary management will be conducted through general meetings (introducing about the project), orientation meetings (introducing with specific steps working with selected beneficiaries) and individual interviews/meeting (getting agreement of beneficiaries to participate in the project and technical assistance guiding them throughout the project up to resettlement).

Beneficiaries and Target Groups

- The primary beneficiaries are approximately, 1,287 housing units - 997 families in Gyumri and 310 families in Tashir who currently live in inadequate and unsafe housing conditions.

Selection Criteria

- Families in "domics," basements, or semi-destroyed buildings: These are the long-term residents of temporary housing in Gyumri, often victims of the 1988 earthquake aftermath.
- Displaced families from Artsakh: Specifically those residing in Tashir in temporary rented or semi-constructed homes lacking proper amenities.
- Socially vulnerable families in border communities: This includes multi-child families, single-parent households, the elderly, and individuals with disabilities.

Beneficiary Identification and Selection Process:

- Preliminary beneficiary lists are compiled by communal and state social services, based on documented socio-economic and housing assessments.
- The process is carried out through community commissions, coordinated by municipalities, with the participation of independent observers.
- Participation agreements are signed with selected beneficiaries to ensure public awareness of conditions and subsequent accountability.

Project Management Approach

The successful implementation of this multifaceted housing project relies on a highly competent and experienced project management team responsible for overseeing all phases - from preparation to post-relocation support.

During the preparation phase, the management team will lead the development of detailed architectural and engineering designs, coordinate timely application of land and permitting procedures, ensure expert reviews, and prepare procurement documentation. In the construction phase, they will supervise contractors, monitor quality through technical and author's inspections, and ensure compliance with safety and seismic standards.

Throughout the construction completion and site development phase, the management team will oversee internal finishing, landscaping, and infrastructure connectivity, ensuring adherence to timelines and procurement protocols.

During the beneficiary selection phase, they will coordinate with local governments and social services to ensure a transparent, criteria-based process, and manage the signing of participation agreements.

In the capacity-building and condominium formation phase, the team will organize legal, technical, and community engagement activities to prepare residents for joint ownership responsibilities. The team will further support the relocation process, ownership title registration, and completion of all housing documents, ensuring that families are moved in with full legal rights and dignity.

The management team will also serve as the primary liaison with the RA Ministry of Territorial Administration and Infrastructure, municipalities of Gyumri and Tashir, local CSOs, private sector actors, and international donors, ensuring effective stakeholder coordination and transparent communication. This comprehensive oversight ensures technical quality, legal compliance, financial accountability, and community engagement across all project components.

Steering committee

The project implementation will be closely coordinated with the governmental and nongovernmental stakeholders to make sure that the project is in line with the government priorities and to ensure transparency of the implementation.

Regular steering committee sessions will be convened on bi-annual basis or on as-needed basis in case of urgent decisions. RA Ministry of territorial Administration, Gyumri and Tashir municipalities, UCA, CSOs, active residents will be members of the Steering Committee.

Project Management Team

The project will be implemented by the project management team who, among others, will be responsible for daily implementation, overseeing all components, also responsible for monitoring and evaluation, donor coordination, ensuring construction quality, scheduling, and contractor oversight. In addition, the team will implement financial management of the project, all procurement/contracting procedures, compliance and reporting. The project team will lead social outreach, will coordinate beneficiary selection process, organize meetings with beneficiaries and municipalities, prepare and deliver training, support condominium formation and registration. The team will coordinate relocation logistics, title registration, and preparation of housing documentation.

Communication

Communication and visibility will be an important part of the project to make sure transparency and accountability to beneficiaries and donors. It may include information meetings with beneficiaries, public information materials, TV programs to update about the program progress, ensuring visibility through mass media.

5. Monitoring and Evaluation

A robust monitoring and evaluation framework will be implemented to track the project's progress, measure its success, and ensure accountability.

The project will utilize a logical framework (please see in the LogFrame section, below) that clearly outlines the overall goal, outcomes, outputs, activities, indicators, and assumptions. This provides a structured approach to measuring the project success.

Evaluation Stages:

- **Mid-term evaluation** conducted midway of construction to monitor ongoing results and allow for adaptive management.
- **Final evaluation** conducted after resettlement, analyzing the final impact and sustainability of the intervention.

Monitoring Mechanisms:

- Monthly reports from the project team.
- Quarterly oversight by external technical and financial experts.
- Annual monitoring reports on achievement of indicators.
- Feedback mechanisms with beneficiaries, including questionnaires and community discussions.

6. Project Sustainability

To ensure the long-term sustainability of the project, a three-tiered model will be implemented, involving direct participation of beneficiaries, active engagement of local self-government bodies, and strategic collaboration with specialized organizations and potential donors.

Beneficiary Engagement

Beneficiaries will receive housing units free of charge with full property rights, including official cadaster registration. This transfer of ownership fosters a sense of responsibility for maintenance and care. Prior to relocation, all families will undergo targeted training on condominium formation, collective property management, and maintenance of communal infrastructure. Participatory resident governance structures will be established in line with Armenian legislation, building upon the condominium model to ensure inclusive and accountable local housing management.

Role of Local Authorities

The municipalities of Gyumri and Tashir will play a key role in sustaining core services, including land allocation (20 ha in Gyumri and 4 ha in Tashir), issuance of construction permits, ensuring uninterrupted access to water, sewage, and waste collection, as well as routine maintenance of roads and public spaces. In cases of technical challenges, municipal support will be available for interventions related to communal infrastructure. All these activities will ensure systematic service provision and reinforce local ownership.

Donor and Private Sector Support

Post-project sustainability will be further enhanced through exploring low-interest credit lines for home repairs and maintenance, in partnership with financial institutions and development foundations. Engagement with the private sector will enable long-term servicing of key infrastructure components such as elevators, solar systems, and security installations.

7. Assumptions and Risks with Risk Management Matrix

Assumptions:

- Continued strong support and cooperation from the Government of Armenia and local authorities of Gyumri and Tashir.
- Availability of necessary land plots and expedited legal processes.
- Stable construction material prices and market conditions.
- Sufficient availability of skilled labor in the regions.
- High willingness and capacity of beneficiaries to engage in training and participate in condominium management.
- Climate and weather conditions allow for planned construction timelines.

Risks:

- Delays in construction permits, land regularization, inter-agency agreements
- Increase in construction costs, market instability
- Supply chain disruptions (e.g., for gas, water, building materials)
- Shortage of skilled construction workers or engineers
- Social resistance or discontent during apartment distribution
- Worsening security situation (especially in Tashir) and new displacement waves
- Construction may halt due to winter, heavy rainfall, seismic activity

Risk Management Matrix

Risk Category	Specific Risk	Likelihood	Impact	Mitigation Strategy	Contingency Plan
Legal and Administrative	Delays in construction permits, land regularization, inter-agency agreements	Low	High	<ul style="list-style-type: none"> - Early involvement of Gyumri and Tashir municipalities and the RA MTAI to ensure expedited land regularization and permitting procedures. - Proactive communication and coordination with all relevant government bodies. 	<ul style="list-style-type: none"> - Escalate issues to higher government levels. - Engage legal counsel to navigate complex bureaucratic hurdles. - Adjust project timelines if delays become unavoidable.
Economic and Financial	Increase in construction costs, market instability	Low	High	<ul style="list-style-type: none"> - A 10% contingency fund is reserved to cover price inflation. - Phased construction approach to allow for flexible budget control. - Long-term contracts with suppliers to lock in prices where possible. 	<ul style="list-style-type: none"> - Seek additional funding from existing or new donors. - Re-evaluate and reduce the average apartment size - Phase out non-critical components to stay within budget. - Explore alternative, more cost-effective materials if quality is not compromised.
Operational and Logistical	Supply chain disruptions (e.g., for gas, water, building materials)	Low	Medium	<ul style="list-style-type: none"> - Prioritize local suppliers where feasible. - Include penalty clauses for delays in suppliers contracts. - Maintain multiple supplier options for critical materials. - Ensure clear logistics plans for material delivery. 	<ul style="list-style-type: none"> - Identify alternative suppliers. - Expedite customs clearance for imported materials. - Temporarily adjust construction schedules focusing on areas where materials are available.
Human Resources	Shortage of skilled construction workers or engineers	Low	Medium	<ul style="list-style-type: none"> - Collaborate with local construction companies to access skilled labor. 	<ul style="list-style-type: none"> - Import specialized labor if absolutely necessary, ensuring all legal requirements are met. essential roles.

Risk Management Matrix

Risk Category	Specific Risk	Likelihood	Impact	Mitigation Strategy	Contingency Plan
Social and Community	Social resistance or discontent during apartment distribution	Low	High	<ul style="list-style-type: none"> - Implement transparent selection criteria for beneficiaries. - Conduct public discussions and ensure active involvement of beneficiaries in the process. - Maintain clear and consistent communication channels with communities. 	<ul style="list-style-type: none"> - Conduct targeted awareness campaigns to explain the process and criteria. - Engage trusted community leaders to mediate disputes. - Re-evaluate selection criteria if significant issues arise.
Security	Worsening security situation (especially in Tashir)	Low	High	<ul style="list-style-type: none"> - Regular threat monitoring assessments and close coordination with local and national security agencies. 	<ul style="list-style-type: none"> - Initiate temporary cessation of construction in high-risk areas. - Divert resources to safer zones or prioritize emergency shelter solutions.
Environmental/Climate	Construction halts due to winter, heavy rainfall, seismic activity	Low	Medium	<ul style="list-style-type: none"> - The project timeline accounts for seasonality (e.g., potential winter construction slowdowns). - Buildings will be designed and constructed to comply with strict seismic norms and standards. 	<ul style="list-style-type: none"> - Adjust construction schedules to maximize work during favorable weather.

8. Project Implementation Plan/Gantt Chart

A detailed Gantt chart would be a separate, more extensive document. Below is a summarized timeline of key phases and activities.

Phase / Activity	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026 – Dec 2026	Jan 2027 – Dec 2027	Jan 2028 – Mar 2028	Apr 2028	May 2028	Jun 2028	Jul 2028	Aug 2028
Phase 1: Preparatory														
1.1 Legal Land Regularization	✓	✓	✓	✓										
1.2 Design and Expert Review	✓	✓	✓	✓										
1.3 Construction Permits	✓	✓	✓	✓										
Phase 2: Construction and Infrastructure					✓	✓								
2.1 Foundation and Core Construction					✓	✓	✓	✓						
2.2 External and Internal Finishing Works						✓	✓	✓	✓					
2.3 Utility Connections (water, electricity, gas)						✓	✓	✓	✓					
Phase 3: Resettlement and Community Integration														
3.1 Apartment Handover Process										✓				
3.2 Beneficiary Relocation										✓				
3.3 Condominium Formation and Training										✓	✓	✓	✓	✓
Project Completion														✓

Project Start Date (Planned): **September 2025** Expected Project Completion: **August 2028 (Total 30 months)**

9. Logical Framework

Level	Description	Indicators	Targets	Assumptions	Means of Verification
Impact (of Overall Goal)	Improved living conditions and urban resilience for vulnerable/displaced families through sustainable housing	% of beneficiary families reporting significant improvement in quality of life Number of beneficiary families with long-term secure housing % of households with full legal ownership and cadastral registration	- $\geq 90\%$ - 1,287 - 100%	Continued support by central and local government support.	- Household survey - M&E reports - Ownership titles
Outcome (of Objective)	Ensure resettlement and sustainable integration into new communities	# of resettled families in newly built housing units. % of households actively participate in condominium governance. % of buildings with operational communal service connections.	- 1,287 - $\geq 85\%$ - 100%	Beneficiaries support Support by Gyumri and Tashir municipalities Quality work by a construction company	- Engineering designs for communal/utility infrastructures - Copies of Condominiums charter, decisions - Copies of Certificates of Ownership
Outputs					
Output 1	Completed architectural/engineering designs and permits	% of permits and designs finalized	- 100%	Quality work by engineering design company	- Copies of construction permits and engineering designs
Output 2	Fully constructed residential units with utilities	Number of residential units completed	- 1,287	Quality work by a construction company	- Copies of certificates of ownership

9. Logical Framework

Level	Description	Indicators	Targets	Assumptions	Means of Verification
Output 3	Operational water, gas, electricity, and sanitation systems	% of units with fully functioning utility connections	- 100%	Quality work by a construction company	Copies of contracts, completion documents, handover documents
Output 4	Completed residential buildings with internal finishing and improved surrounding infrastructure.	% of residential buildings with fully completed internal and external finishing.	- 100%	Quality work by a construction company	Copies of contracts, completion documents, handover documents
Output 5	Vulnerable and displaced families identified and selected through a transparent beneficiary selection process	Number of eligible families selected and confirmed for project in the housing program based on approved criteria.	- 1,287	Support by selection commission and municipalities	Official list of selected beneficiaries approved by the commission
Output 6	Trained beneficiary families on condominium governance	% of beneficiaries trained and certified	≥ 90%	Support by beneficiaries	Training materials, sign-up sheets
Output 7	Established condominium associations	Number of condominiums legally registered and functional	≥ 16	Participation by beneficiaries	Copies of Condominiums charters and official documents

10. Summary Budget

Total Estimated Project Cost: \$ 174,731,124.14

Engineering design and expertise	\$ 2,116,800.00	1.00%
Land Preparation	\$ 1,532,160.00	1.00%
Construction	\$ 137,752,835.63	89.00%
Communal Infrastructure	\$ 4,596,480.00	3.00%
Internal finishing	\$ 4,596,480.00	3.00%
Landscaping and site development	\$ 4,596,480.00	3.00%
Subtotal construction related costs	\$ 155,191,235.63	100.00%
Project Management and Technical Supervision	\$ 3,000,000.00	1.90%
Beneficiary Support and Community Integration	\$ 387,978.09	0.25%
Communicaiton visibility	\$ 232,786.85	0.15%
Neighborhood clinics and equipment	\$ 400,000.00	0.26%
Contingency	\$ 15,519,123.56	10.00%
Subtotal non-construction costs	\$ 19,539,888.51	
Total project cost	\$ 174,731,124.14	

Cost-share by municipality – land allocation:

Gyumri Municipality - 20 ha - \$280,000

Tashir Municipality – 4 ha - \$42,000

Total: \$322,000

Phased Funds Disbursement Schedule:

The project anticipates a phased disbursement of funds to align with the construction lifecycle:

- **Phase I (Months 1-6): 10%** - Allocated for design, land transactions, and securing construction permits.
- **Phase II (Months 7-12): 30%** - For foundational construction and the establishment of engineering networks.
- **Phase III (Months 13-24): 40%** - For the completion of construction, internal finishing works, and external landscaping.
- **Phase IV (Months 25-30): 10%** - For resettlement, beneficiary training, and project close-out activities.
- **Contingency Fund (Throughout): 10%** - Available as needed for unforeseen costs.

Phases of project implementation

It is suggested to implement the project on three phases as discussed in the table below:

	Phase 1	Phase 2	Phase 3	Phases 1+2+3
Gyumri	48,665,944.00	47,557,944.00	34,770,050.14	130,993,938.14
Tashir	15,941,630.40	14,290,584.00	13,504,971.60	43,737,186.00
Total	64,607,574.40	61,848,528.00	48,275,021.74	174,731,124.14

Below is breakdown of the budget for each phase: Total budgets per phase and also separate budgets per phases for Gyumri and Tashir:

Phase 1 (Gyumri and Tashir)

Engineering design and expertise	\$ 705,600.00	1%
Land Preparation	\$ 564,480.00	1%
Construction Communal Infrastructure	\$ 50,803,200.00	89%
Internal finishing	\$ 1,693,440.00	3%
Landscaping and site development	\$ 1,693,440.00	3%
Subtotal construction related costs	\$ 57,153,600.00	100%
Project Management Beneficiary Support and Community Integration	\$ 1,110,000.00	1.90%
	\$ 142,884.00	0%

Phase 1-Gyumri

Engineering design and expertise	\$ 705,600.00	2%
Land Preparation	\$ 423,360.00	1%
Construction Communal Infrastructure	\$ 38,102,400.00	88%
Internal finishing	\$ 1,270,080.00	3%
Landscaping and site development	\$ 1,270,080.00	3%
Subtotal construction related costs	\$ 43,041,600.00	100%
Project Management Beneficiary Support and Community Integration	\$ 821,400.00	1.90%
	\$ 105,840.00	0%

Phase 1 - Tashir

Land Preparation	\$ 141,120.00	1%
Construction Communal Infrastructure	\$ 12,700,800.00	90%
Internal finishing	\$ 423,360.00	3%
Landscaping and site development	\$ 423,360.00	3%
Subtotal construction related costs	\$ 14,112,000.00	100.00%
Project Management Beneficiary Support and Community Integration	\$ 288,600.00	1.90%
	\$ 37,044.00	0.25%

Communication visibility	\$ 85,730.40	0%
Neighborhood clinics and equipment	\$ 400,000.00	1%
Contingency	\$ 5,715,360.00	10%
Subtotal non-construction costs	\$ 7,453,974.40	
Total Phase 1	\$ 64,607,574.40	

Communication visibility	\$ 63,504.00	0%
Neighborhood clinics and equipment	\$ 400,000.00	1%
Contingency	\$ 4,233,600.00	10%
Subtotal non-construction costs	\$ 5,624,344.00	
Total Phase 1 - Gyumri	\$ 48,665,944.00	

Communication visibility	\$ 22,226.40	0.15%
Neighborhood clinics and equipment		
Contingency	\$ 1,481,760.00	10.00%
Subtotal non-construction costs	\$ 1,829,630.40	
Total Phase 1 - Tashir	\$ 15,941,630.40	

Phase 2 (Gyumri and Tashir)		
Engineering design and expertise	\$ 705,600.00	1%
Land Preparation	\$ 544,320.00	1%
Construction Communal	\$ 48,988,800.00	89%
Infrastructure	\$ 1,632,960.00	3%
Internal finishing	\$ 1,632,960.00	3%
Landscaping and site development	\$ 1,632,960.00	3%
Subtotal construction related costs	\$ 55,137,600.00	100.00%
Project Management	\$ 1,050,000.00	1.90%
Beneficiary Support and Community Integration	\$ 136,080.00	0.25%

Phase 2-Gyumri		
Engineering design and expertise		
Land Preparation	\$ 423,360.00	1%
Construction Communal	\$ 38,102,400.00	89%
Infrastructure	\$ 1,270,080.00	3%
Internal finishing	\$ 1,270,080.00	3%
Landscaping and site development	\$ 1,270,080.00	3%
Subtotal construction related costs	\$ 42,336,000.00	100.00%
Project Management	\$ 819,000.00	1.90%
Beneficiary Support and Community Integration	\$ 105,840.00	0.25%

Phase 2 - Tashir		
Engineering design and expertise	\$ 705,600.00	5%
Land Preparation	\$ 120,960.00	1%
Construction Communal	\$ 10,886,400.00	85%
Infrastructure	\$ 362,880.00	3%
Internal finishing	\$ 362,880.00	3%
Landscaping and site development	\$ 362,880.00	3%
Subtotal construction related costs	\$ 12,801,600.00	100.00%
Project Management	\$ 231,000.00	1.90%
Beneficiary Support and Community Integration	\$ 30,240.00	0.25%

Communication visibility	\$ 81,648.00	0.15%	Communication visibility	\$ 63,504.00	0.15%	Communication visibility	\$ 18,144.00	0.15%
Contingency	\$ 5,443,200.00	10.00%	Contingency	\$ 4,233,600.00	10.00%	Contingency	\$ 1,209,600.00	10.00%
Subtotal non-construction costs	\$ 6,710,928.00		Subtotal non-construction costs	\$ 5,221,944.00		Subtotal non-construction costs	\$ 1,488,984.00	
Total Phase 2	\$ 61,848,528.00		Total Phase 2	\$ 47,557,944.00		Total Phase 2	\$ 14,290,584.00	

Phase 3 (Gyumri and Tashir)			Phase 3-Gyumri			Phase 3 - Tashir		
Engineering design and expertise	\$ 705,600.00	1%	Engineering design and expertise	\$ 705,600.00	1%			
Land Preparation	\$ 423,360.00	1%	Land Preparation	\$ 302,400.00	1%	Land Preparation	\$ 120,960.00	1%
Construction	\$ 38,102,400.00	89%	Construction	\$ 27,216,000.00	89%	Construction	\$ 10,886,400.00	90%
Communal Infrastructure	\$ 1,270,080.00	3%	Communal Infrastructure	\$ 907,200.00	3%	Communal Infrastructure	\$ 362,880.00	3%
Internal finishing	\$ 1,270,080.00	3%	Internal finishing	\$ 907,200.00	3%	Internal finishing	\$ 362,880.00	3%
Landscaping and site development	\$ 1,270,080.00	3%	Landscaping and site development	\$ 907,200.00	3%	Landscaping and site development	\$ 362,880.00	3%
Subtotal construction related costs	\$ 43,041,600.00	100.00%	Subtotal construction related costs	\$ 30,945,600.00	100.00%	Subtotal construction related costs	\$ 12,096,000.00	100.00%
Project Management	\$ 831,000.00	1.90%	Project Management	\$ 606,107.74	1.90%	Project Management	\$ 224,370.00	1.90%
Beneficiary Support and Community Integration	\$ 105,840.00	0.25%	Beneficiary Support and Community Integration	\$ 77,364.00	0.25%	Beneficiary Support and Community Integration	\$ 28,476.00	0.25%

Communication visibility	\$ 63,504.00	0.15%	Communication visibility	\$ 46,418.40	0.15%	Communication visibility	\$ 17,085.60	0.15%
Contingency	\$ 4,233,600.00	10.00%	Contingency	\$ 3,094,560.00	10.00%	Contingency	\$ 1,139,040.00	10.00%
Subtotal non- construction costs	\$ 5,233,944.00		Subtotal non- construction costs	\$ 3,824,450.14		Subtotal non- construction costs	\$ 1,408,971.60	
Total Phase 3	\$ 48,275,021.74		Total Phase 3	\$ 34,770,050.14		Total Phase 3	\$ 13,504,971.60	