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Building a Resilient Social Protection System in Armenia

Progress Narrative Report #2



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LIST OF ACRONYMS

ALMP	Active Labor Market Program
AMD	Armenian Dram
API	Application Programming Interface
CBA	Central Bank of Armenia
CEPA	Comprehensive and Enhanced Partnership Agreement
COVID-19	Coronavirus Disease 2019
CRC	Convention on the Rights of the Child
CSO	Civil Society Organization
DG ECHO	Directorate-General for European Civil Protection and Humanitarian Aid Operations
DG NEAR	Directorate-General for Neighbourhood and Enlargement Negotiations
DI	Democracy International
DPM	Deputy Prime Minister
DRM	Disaster Risk Management
DRR	Disaster Risk Reduction
ECA	Europe and Central Asia
EEAS	European External Action Service
EKENG	e-Governance Infrastructure Implementation Unit
ESCO	European Classification of Skills, Competences, and Occupations
EU	European Union
EUD	Delegation of the European Union to Armenia
FLSEB	Family Living Standards Enhancement Benefits
FPI	Foreign Policy Instruments
GDP	Gross Domestic Product
HMT	Hybrid Means Tested
HRM	Human Resources Management
ICF	International Classification of Functioning, Disability and Health
ICT	Information and Communication Technology

ISMS	Information Security Management System
ISO	International Organization for Standardization
ISS	Integrated Social Services
IT	Information Technology
LLC	Limited Liability Company
M&E	Monitoring and Evaluation
MEL	Monitoring, Evaluation, and Learning
MHPSS	Mental Health and Psycho-Social Support
MIS	Management Information System
MoE	Ministry of Economy
MoES	Ministry of Emergency Situations
MoESCS	Ministry of Education, Science, Culture and Sport
MoF	Ministry of Finance
MoH	Ministry of Health
MoIA	Ministry of Internal Affairs
MoJ	Ministry of Justice
MoLSA	Ministry of Labour and Social Affairs
MoTAI	Ministry of Territorial Administration and Infrastructure
MTEF	Medium-term Expenditure Framework
NEET	Not in Education, Employment, or Training
NGO	Non-Governmental Organization
NILSR	National Institute of Labour and Social Research
OPD	Organizations of Persons with Disabilities
PAR	Public Administration Reform
QMS	Quality Management System
RA	Republic of Armenia
SA	Social Assistance
SDG	Sustainable Development Goals
SOP	Standard Operating Procedure
SRSP	Shock-responsive Social Protection

ToR	Terms of Reference
UIS	Unified Information Management System
UNCT	United Nations Country Team
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNSDCF	United Nations Sustainable Development Cooperation Framework
USD	United States Dollar
USS	Unified Social Service
VAS	Vulnerability Assessment System
WB	World Bank
WFP	World Food Programme

EXECUTIVE SUMMARY

Over the past years, Armenia has continued to make important strides in strengthening its social protection system, even while navigating multiple crises and external shocks. In support of these efforts, the joint UN Action on Building a Resilient Social Protection System in Armenia, in partnership with the European Union and implemented in close collaboration with the Ministry of Labour and Social Affairs (MoLSA), was designed to advance reform across four interconnected pillars: policy and legal framework development, administrative and digital systems strengthening, capacity building, and piloting of new service delivery models. The Action followed a sequenced and adaptive approach, benefiting from strong leadership and ownership by MoLSA and a shared commitment to the agreed reform priorities.

During the reporting period, with direct contribution from the Action, substantial progress was made in advancing the social protection legal and policy framework, with the adoption of the new Law on Social Assistance and Law on State Benefits establishing the foundation for a modernized, shock-responsive and effective social protection and Vulnerability Assessment Systems (VAS). These laws need to be operationalized through more than 50 secondary legislation pieces to be developed in the coming two years, providing an opportunity to further increase the integration, shock-responsiveness and sustainability of social protection interventions.

Legal and strategic frameworks in the areas of social assistance, disability, employment, child protection, and integrated social services were advanced, laying the groundwork for systemic improvements expected to be finalized in the coming years. The functional review of the Unified Social Service (USS) was finalized, paving the way for more conceptualized institutional changes to be piloted and feeding into the draft Integrated Social Services strategic programme. Key innovations, including the rollout of the personal assistant service for persons with disabilities, were operationalized with corresponding training, certification systems, and budgetary allocations. Simultaneously, reforms were increasingly oriented towards building shock-responsive capacities, with major advancements in the design of early warning tools, revisions to rapid needs assessment methodologies, and integration of food security assessment modules into national social protection systems, as well as linking food card support to financial literacy approaches for beneficiaries.

Digital transformation efforts also accelerated, notably through the development of interoperable digital platforms, ensuring enhanced targeting, service coordination, and future scalability of social protection responses. Nork Technology successfully obtained both ISO/IEC 27001:2022 surveillance certification and ISO/IEC 9001:2015 certification, underscoring its commitment to maintaining high standards in both information security and quality management. Substantive work was advanced on continuous learning and certification approaches for social service workforce, including e-learning opportunities. Prototypes such as the piloting of the new VAS in Kotayk and Syunik regions and active labour market programmes were designed, providing critical feedback loops to inform adjustments ahead of nationwide rollout. Progress was also made on testing rapid social response mechanisms, integrating lessons learned from humanitarian responses.

Nevertheless, the Action faced new challenges during the year. The refugee influx of September 2023, shifted governmental focus towards humanitarian response, leading to delays in some planned policy initiatives. Political complexities around lengthy policy processes, staff turnover in partner agencies further slowed some aspects of implementation. These challenges were mitigated through intensified

day-to-day coordination with MoLSA, flexible work planning, and continuous dialogue with stakeholders to safeguard the overall pace of reform. Moreover, the Action contributed to EU-led dialogue on the humanitarian-development-peace nexus, further unpacking key aspects of shock-responsive social protection.

Visibility and communication efforts were actively maintained, with EU support prominently acknowledged across activities, communication materials, and pilot initiatives. Efforts to raise public awareness of the reforms remain a central part of the Action's strategy.

Despite operational challenges, the Action remains firmly on track toward strengthening Armenia's social protection system. By continuing to adapt to the evolving context, investing in institutional capacity, and fostering inclusive, evidence-based reform processes, the Action is positioned to accelerate progress across policy, digitalization, service innovation, and shock resilience, contributing meaningfully to Armenia's broader sustainable development goals.

CONTEXT OF THE ACTION

In 2024, Armenia continued its commitment to an ambitious reform agenda in the social protection sector, encompassing areas such as vulnerability assessment system reform, social assistance, social service delivery, disability assessment, child protection, and the enhancement of employment programs. However, the ongoing challenges stemming from the refugee influx that began in late 2023 continued to impact the pace of these reforms.

The Government of Armenia maintained its leadership in addressing the immediate needs of the refugee population, providing temporary shelter and implementing cash assistance programs. Simultaneously, it continued to collaborate with international partners to provide complementary humanitarian assistance to support and sustain response efforts and to address mid to longer-term needs. UNICEF, together with the MoLSA, presented the final findings from the Multi-sector needs assessment of refugee families from Nagorno Karabakh conducted among 717 refugee households. The findings demonstrated pertaining needs in terms of housing, employment, access to services, especially specialized ones, as well as the need for mental health and psychosocial support. The findings from the assessment further informed medium- and long-term planning of the Government and partners. The joint inter-agency Refugee Response Plan remained a cornerstone of these efforts until March 2024. A Transition Plan was developed to guide Armenia's shift from emergency response to long-term, inclusive development in the context of the refugee influx. From April to December 2024, efforts focused on strengthening refugee inclusion in national social protection schemes and public services, while building resilience among both displaced and vulnerable host populations. The Plan aimed to embed mid- and long-term refugee needs within the United Nations Sustainable Development Cooperation Framework (UNSDCF), with remaining humanitarian needs to be addressed through regular partner programming. Overall, the social protection system, alongside local communities, has played a leading role in responding to the refugee influx, showcasing an enhanced capacity to manage shocks. However, the crisis also exposed existing gaps in the system, challenges in delivery and capacity, and highlighted the need for improved preparedness. The Government worked with partners to further strengthen the shock-responsiveness of the social protection system along the humanitarian-development nexus.

An Inclusive Livelihoods National Framework for Refugees and Host Communities was developed under the leadership of the Government with support from the UN Resident Coordinator Office, UNDP and UNHCR to chart a path toward sustainable economic and social inclusion. Following the Government of Armenia's initial emergency priorities - safety, legal status, and access to services - the long-term focus has shifted to ensuring that refugees are empowered to contribute to and benefit from Armenia's development, while keeping access to cash support and receiving livelihood/employment and housing assistance. The framework provides strategies to promote self-reliance, strengthen social cohesion, and uphold the principle of Leave No One Behind by linking livelihoods, resilience, and inclusion into national systems and development planning.

Despite the ongoing refugee crisis, Armenia's economic growth persisted, albeit at a slower pace, with the World Bank (WB) projecting a 5.5% GDP growth for 2024. While this marks a decline from 2023's growth rate of 8.3%, it still surpasses the regional average of 3.2% in Europe and Central Asia (ECA). According to the Central Bank of Armenia (CBA), remittances continued their downward trend in 2024, while labor market indicators presented mixed signals. The unemployment rate improved to 12.4%, down

from 13.5% in 2022, though it remained notably higher among women (13.2%) and youth (27.2% among those aged 15–29). Armenia's NEET (youth not in education, employment, or training) rate saw a slight decrease from 25.9% to 24.4%, with notable improvements among women (down 3.5 percentage points to 33.3%) and youth aged 15–24 (down 2.1 percentage points to 16.9%). However, women continue to experience significantly higher NEET rates than males, underscoring persistent gender inequality. The NEET rate among the youngest age group (15-19) continued to rise slowly, increasing from 8% to 8.4%.

Consumer price inflation remained low at 1.4% in November 2024, influenced by external deflationary pressures and weaker demand for certain domestic services. The rise in international food prices had not yet fully impacted on domestic prices.

According to ArmStat, poverty rates generally continued to decline, except for the upper poverty line rate, which increased by 1.3 percentage points to 42.6% in 2023. The average poverty rate decreased by 1.1 percentage points to 23.7%, while multi-dimensional poverty dropped significantly to 17.3%, a decrease from 20.7% in 2022 and lower than the 2021 rate of 18.7%. The lower poverty line rate fell by 1.9 percentage points to 9.7%, and extreme poverty remained stable at 1.1%. Child poverty showed slight improvement, decreasing by 0.6 percentage points to 31.6%, with children accounting for 27.6% of multi-dimensional poverty, a figure that remained relatively stable.

Public expenditure on social sectors has increased, with the exception of the health sector, where the budget nominally remained largely unchanged but decreased to 1.5% of GDP (from 1.7% in 2022). Public spending on education and social protection increased to 2.5% and 7.5% of GDP respectively, up from 2.3% and 7.3% in 2022. With a focus on the refugee crisis and their integration, over 58.5 billion AMD (USD 145 million) was allocated as financial assistance to refugees, and a new housing programme was launched in 2024.

In 2024, Armenia advanced several key legislative initiatives in the social protection sector. Two major laws – the Law on State Benefits and the Law on Social Assistance, along with their respective legal document packages – were adopted by Parliament, thus materializing major reform processes in the area of social assistance.

The Committee on the Rights of the Child reviewed the combined fifth and sixth periodic reports of Armenia and adopted its concluding observations during the 2846th meeting, held on 13 September 2024. The concluding observations acknowledged progress made in legislative and institutional reforms and outlined key areas requiring further action. The recommendations are expected to guide the Government of Armenia in strengthening its child rights agenda and aligning national policies with the Convention on the Rights of the Child.

The disability reform continued at a steady pace, with an emphasis towards capacity development actions and development and testing of new support modalities.

The draft Law on the Rights of the Child and the Child Protection System and the revised Family Code underwent multiple rounds of revision and extensive discussions, aiming to ensure the full implementation of Armenia's international obligations in the field of child rights protection. The laws also aim to regulate alternative care arrangements for children in difficult life circumstances, particularly those without parental care, establish procedures for the identification and referral of children in vulnerable

situations, clarify the responsibilities of state and local government bodies involved in child-related matters, and address various gaps, legal ambiguities, and technical inconsistencies identified in practice.

Two key strategies were adopted in 2024. The Strategy for Improving the Demographic Situation in Armenia for 2024–2040 aims to strengthen family well-being, reduce risk factors contributing to mortality, promote healthy and dignified aging, and address the root causes of migration. It envisions a holistic approach to reversing negative demographic trends through targeted interventions in health, social protection, and community development. Meanwhile, the Employment Strategy for 2025–2031 focuses on fostering job creation, reducing poverty, and driving sustainable and inclusive economic growth. It outlines measures to boost labor market participation, especially among women and youth, as well as family benefit beneficiaries, support skill development, and improve the quality of employment opportunities across the country.

As part of the joint Steering and Technical Committees launched by the Government of Armenia and the UNCT under the UNSDCF, several discussions took place with participation of the Government and UN agencies to foster ownership of joint programming, collaboration and coordination.

ACTUAL RESULTS AND DESCRIPTION OF THE ACTIVITIES OF THE ACTION

Output 1.1. Social protection strategies, policies and programmes are enhanced and adequately financed to improve coverage and address risks and vulnerabilities through the life-cycle

In the second year of implementation, significant progress was made in advancing Armenia's social protection policy and legal reform agenda through close collaboration between MoLSA and the three UN agencies - UNICEF, UNDP, and WFP. Building on the foundations laid in the first year, efforts focused on operationalizing reforms and aligning activities with evolving national priorities, which culminated in the approval of the Law on Social Assistance, Law on State Benefits and the Employment Strategy as major achievements. Technical focal points from all three agencies and MoLSA continued to work in a coordinated manner through regular consultations and bi-weekly coordination meetings, ensuring real-time issue resolution, adaptive planning, and harmonized delivery across Action components. As a result, the joint Action maintained strong momentum and coherence across its four pillars, translating strategic direction into tangible progress on the ground.

Activity 1.1.1. Technical assistance to development and operationalization of the comprehensive Labour and Social Protection strategy and sub-strategies on Integrated Social Services and Unified Social Service development, Social Housing, Employment including application of a shock-responsive and food security lens and mainstreaming of citizen-centric and evidence-based decision-making approaches and processes (joint between UNICEF, WFP and UNDP).

UNICEF, WFP and UNDP maintained close collaboration with the MoLSA to advance integrated, inclusive, and shock-responsive social protection reforms.

The draft Labour and Social Protection Strategy is expected to be approved in a holistic manner as the overarching vision document for the MoLSA, following the recent adoption of the Law on Social Assistance, which now includes the necessary legal provision for the strategy's formalization. With the legal basis in place, the strategy is undergoing revisions with UNICEF support to reflect the latest policy shifts and priorities. Once finalized, it will serve as the central guiding framework for Armenia's social protection reforms, bringing together other strategies and strategic programmes.

Following legislative amendments in 2023, UNICEF provided technical assistance to the drafting of the Comprehensive Programme on Child Rights Protection for 2024-2029. This included ensuring a coordinated approach with stakeholders and facilitating consultations with adolescents and children. National institutions, national and international CSOs, experts, parents and children all contributed to the programme's development. The five-year programme was drafted based on existing evidence regarding child rights, evaluations and lessons learned from ongoing or completed programmes, issues raised by children and adolescents, and results-based programming principles. A mapping of child-focused results and programmes in other national strategic documents was also conducted to avoid duplication and ensure a holistic monitoring approach.

Following publication of the Convention on the Rights of the Child (CRC) Concluding Observations in September 2024, these were mapped against national strategic documents and the draft Comprehensive Programme to assess whether further adjustments were needed. The five-year draft Programme is now fully costed and accompanied by a comprehensive results and monitoring framework, action plan, and budget. Prior to its finalization and submission to the Government, it was presented and discussed during an extended session of the National Commission on Child Rights, which brought together over 40 participants, including deputy ministers, members of parliament, and other key stakeholders. The Programme is currently awaiting formal government approval.



A series of working discussions were supported by UNICEF and UNDP on the integrated social services strategic programme between MoLSA, USS, Nork Technology Center, including on the results framework and key directions, while aligning those with the functional review conducted by UNDP. The text of the strategy will be developed once the functional review is completed in 2025, so that it is reflective of all evidence and results in a holistic document.

WFP successfully supported the integration of food security and shock-responsiveness components into the draft Labour and Social Protection Strategy, strengthening its resilience focus. Building on this progress, the revision of sub-strategies on Integrated Social Services and USS development, and Social Housing will follow. Food security and shock-responsiveness will be included in the newly approved Employment Strategy, should it be identified as a priority by the Government.

UNDP, in collaboration with Ameria Consulting Firm, completed the functional review of the Social Housing Management Model. The review focused on analyzing the current objectives, scope, and standards of social housing services, and proposed an innovative management model aimed at improving the efficiency and effectiveness of these services. The recommendations target key stakeholders in Social Housing Services, including building management, to enhance service delivery. These will further feed into the Social Housing Strategy of the Government.

The report has been circulated among the major stakeholders for feedback. The findings from this review will contribute to the ongoing design and development of the Social Housing Strategy and will inform the development of a Social Housing Management Digital Tool in 2025, in consultation with MoLSA.

The Employment Strategy for 2025–2031 was officially approved in 2024, marking a key milestone in Armenia’s efforts to promote inclusive and sustainable economic growth. Supported by UNDP throughout its development, the strategy outlines a comprehensive framework for improving labor market outcomes, particularly for women, youth, and vulnerable groups. Following its approval, UNDP has continued to support the operationalization of the strategy through targeted employment schemes.

Activity 1.1.2. *Support to **development, harmonization and operationalization of resilient, human-centric, evidence-based and shock-responsive legal and policy frameworks** (joint between UNICEF and UNDP).*

The [Social Assistance \(SA\) Law](#) package was officially approved in November 2024, marking a major milestone in Armenia's ongoing social protection reform and within the joint Action. Developed through a participatory and iterative process, the law underwent extensive consultations, including public discussions, inter-ministerial reviews, and deliberations within the National Assembly. Led by MoLSA with strong technical support from UNICEF, the package included amendments to 17



related legal documents to ensure coherence across the legal framework. The law reflects a comprehensive approach to improving social protection, with provisions focused on service integration, shock-responsive mechanisms, enhanced targeting, increased diversification and effectiveness of services, establishment of quality standards for social services, professionalization of social work, and the development of a unified information management system. Importantly, the revisions incorporated key considerations from the refugee response, as well as a clearer division of roles between national and local levels in social service delivery, ensuring the law is fit for purpose in both regular and emergency contexts. The Law will be enacted with approximately 50 secondary legislation pieces to be developed within 2 years of approval. The Law was also translated into English for dissemination with partners.

As part of the package of the legal reform, the [Law on State Benefits](#) was also amended aiming at changing the targeting method for Family Living Standards Enhancement Benefits (FLSEB) programme among other changes (see Activity 1.1.6).

UNICEF continued collaboration and technical support to the MoLSA to advance systemic reforms through a **legislative reform package on child rights and the child protection system**, which is expected to be adopted in 2025. The legal package was costed, and activities arising from the new legislation (upon adoption) were included in the Draft Comprehensive Programme of Child Rights Protection. These systemic reforms aim to reinforce child protection policies, prohibit corporal punishment, and prioritize family-based care.

The package was discussed with the two relevant standing parliamentary committees (the Committee on Human Rights and the Committee on Labor and Social protection) and welcomed by parliamentarians of both committees, as well as strongly supported by Human Rights Defender of the Republic of Armenia and the Ministry of Territorial Administration and Infrastructure (MoTAI).

In parallel and considering the changes envisaged in the legal package, two important Government decrees regulating child daycare, night care, and crisis care, their types and standards were developed to ensure residential care is used as last resort and to strengthen the alternative care services overall.

UNICEF also provided support and expertise in development or providing expert opinion to MoLSA on a number of other draft amendments to the legislation, including amendments to the Law on Personal Data, amendments to the Law on Compulsory Execution of Judicial Acts, draft law on Comprehensive Health

Insurance, Decree of the Minister on approving the application form on waiving parental rights and others.

Overall, during 2023-2024, with UNICEF support amendments related to children/persons with disabilities were drafted in 33 laws and 10 Government Decrees/regulations. Amendments on eight Government Decrees (597-N dated 26.04.2012; 783-N dated 18.07.2013; 460-N dated 23.04.2014; 916-N dated 09.08.2018; 1132-N dated 04.10.2018; 1091-N dated 22.08.2019; 397-N dated 04.04.2019; 543-N dated 13.04.2023) out of ten have been adopted by the Government Decree to support adjusting legal framework to requirements of the UN Convention on Rights of Persons with Disabilities and the National Laws “On the Rights of Persons with Disabilities” and “On Functional Assessment”.

UNDP has developed a methodology for assessing the human-centered approach in legal documents. Following the drafting and circulation of the by-laws under the newly adopted Law on Social Assistance and Law on State Benefits and other supporting legal texts, UNDP will apply this methodology to conduct a comprehensive review. The assessment will aim to identify opportunities to strengthen the human-centricity of the legal framework, ensuring that provisions are inclusive, accessible, and responsive to the diverse needs of beneficiaries. Based on the results, UNDP will offer targeted recommendations to enhance the overall effectiveness, clarity, and user-friendliness of the legislation.

The Humanitarian-Development-Peace Nexus workshop was held on 9 December 2024, as a joint initiative of EU Commission services (DG ECHO, DG NEAR, FPI), EEAS, and hosted by the EU Delegation to the Republic of Armenia. The workshop brought together over 130 practitioners from humanitarian and development donors, UN agencies, International and National NGOs, Civil Society Organizations, the Red Cross Movement, and government representatives. The workshop aimed to identify complementarities between humanitarian, peace, and development programming in three key topics: 1. From humanitarian cash to shock-responsive social protection; 2. Protection, Legal Assistance & Mental Health – Psychosocial Support and 3. Disaster Risk Reduction – Preparedness. The SRPS session co-led by UNICEF, WFP and Mission Armenia examined the important linkages between humanitarian cash and other response modalities to Shock-responsive Social Protection (SRSP) interventions along the nexus and how these were operationalized in Armenia. It also drew on achievements, lessons learned, challenges and opportunities in this regard. The transition from humanitarian cash assistance to a comprehensive, shock-responsive social protection system, including developed legal and policy framework, is critical in Armenia's efforts to address ongoing crises and build resilience.



Activity 1.1.3. Support to design of national social protection shock-responsive framework to improve MoLSA preparedness and response to shock-affected populations (WFP)

During the previous reporting period, WFP shared the key findings and recommendations of the SRSP Country Capacity Assessment, laying the foundation for 2024 activities, including those co-funded by WFP. Building on this groundwork, WFP continued to invest in strengthening the shock-responsiveness of Armenia's social protection system, adopting an adaptive approach that allowed for continuous

refinement of sub-activities based on feedback from consultations and workshops with line ministries and their respective agencies.

In 2024, a series of SRSP “unpacking” workshops were held with MoLSA, MoTAI and Ministry of Internal Affairs (MoIA) - including the Migration and Citizenship Service and Crisis Management Academy. These sessions enabled the mapping and analysis of both formal and informal practices in shock response, conducted first within individual ministries and later consolidated through a “repacking” event. The process resulted in a shared understanding of existing gaps and opportunities, and a common vision emerged around improving inter-ministerial communication, clarifying roles and responsibilities, harmonizing definitions of Disaster Risk Management (DRM) and SRSP, and investing in preparedness efforts. As a result, an initial inter-ministerial action plan for shock preparedness and response was submitted to MoLSA.

Furthermore, MoIA presented the draft DRM law to MoLSA, initiating a bilateral dialogue on the extent to which current legal provisions integrate social protection components. Discussions are now underway on how to strengthen these elements across all DRM phases -preparedness, response, and recovery - particularly through mechanisms like community DRM plans.

WFP also provided technical support to MoLSA in redesigning the rapid social response decree, one of approximately 50 sub-legislative acts currently under development in coordination with UNICEF, as part of the broader operationalization of Armenia’s social protection reforms, particularly the Law on Social Assistance.

In parallel, efforts are underway to nationalize both the Food Card and Food e-Card. Standard operating procedures (SOPs) and implementation protocols are currently being refined. These improved tools aim to enhance the shock-responsiveness of Armenia’s social protection system by enabling timely, tailored interventions that respond effectively to the type, scale, and location of future shocks.

Activity 1.1.4. Development of a model for *sustainable provision of MHPSS*, including psychological first aid, in emergency and non-emergency settings for different types of communities (UNICEF)

UNICEF, in partnership with the Armenian Association of Child and Education Psychologists, and drawing on extensive field experience in delivering Mental Health and Psychosocial Support (MHPSS) services to displaced families and children, developed an initial screening tool designed to assess MHPSS needs and determine the appropriate level of support. The tool underwent a rigorous quality assurance process, was field-tested, and subsequently finalized to ensure its effectiveness and contextual relevance. In close coordination with MoLSA, plans have been established to train MHPSS professionals working within community-based services on the application of the tool, aiming to enhance the early identification of MHPSS needs and ensure timely, tailored interventions for vulnerable children and families.

Activity 1.1.5. Update and standardization of the *National Occupational Classification System* (UNDP)

UNDP, in close collaboration with MoLSA, continued advancing the development of the National Classification on Skills, Competences, and Occupations, aligning it with the European Classification of Skills, Competences, and Occupations (ESCO). Following the translation of ESCO in 2023, efforts were focused on editing and adapting the classification to fit the Armenian context.

To ensure a participatory approach to its development and implementation, UNDP has provided strong support to the MoLSA to establish an official working group comprising 13 representatives from key state agencies and ministries. This group plays a critical role in shaping the national taxonomy, contributing expertise, and ensuring commitment at each stage of its development and operation. Two working group meetings have been held, focusing on the translation and localization process, operational mechanisms, and potential use cases of the taxonomy.

The group also reviewed the initial draft of the National Classification, provided feedback, and, based on their input, the taxonomy was further refined.



Parallel to these efforts, both digital and non-digital platforms were identified for the practical application of the classification system within existing national frameworks. E-work.am was designated as the primary national employment and labor market activation platform for hosting the online version of the classification. This integration will enable state agencies, non-state organizations, and individuals to utilize the classification for various purposes, enhancing its impact across the labor market and education sectors. E-work.am will also serve as the first practical use case, ensuring the classification's operationalization.

Additionally, other platforms with potential for adoption were identified, including the newly initiated e-contract platform for online employment contract registration and signing, as well as the National Statistical Committee platform, which collects data on respondents' occupations.

To ensure the taxonomy remains up to date, MoLSA was provided with recommendations for a continuous update and improvement mechanism, incorporating both local labor market data and future ESCO revisions.

The draft classification is now ready for MoLSA's final review and circulation among state agencies before its approval and formal adoption as a legal act.

Activity 1.1.6. Support to development/revision of assessment systems for provision of needs-based support and implementation of all related technical building blocks, including for shock response (joint between UNICEF and WFP).

In 2024, UNICEF supported MoLSA in advancing a major shift in Armenia's social protection system, centered around building an updated, needs-based vulnerability assessment model with integrated shock-responsive features.

Following the adoption of the Law on State Benefits in November 2024, the foundations for operationalizing the new VAS were firmly established. The revised legal framework introduced a hybrid means-tested (HMT) approach, moving beyond the traditional proxy means-tested targeting model. This new system aims to enhance the adequacy, transparency, and inclusiveness of benefits for Armenia's most vulnerable populations. The reform aims to target the most vulnerable groups of the population, including children and families living in extreme poverty, that were earlier excluded from social assistance or did not receive enough assistance to break the cycle of poverty. The new programme will also create links between benefits and services and activation programmes, thus providing holistic and sustainable

solutions to address poverty and deprivation. The reform will be first piloted in two regions in 2025 before the countrywide rollout.

In preparation for the nationwide transition in 2026, preparations were conducted to launch piloting activities in Kotayk and Syunik regions in spring 2025, focusing on live-testing the newly designed assessment tools, development of the dedicated Government Decree describing in detail the assessment and eligibility process, grievance and feedback mechanisms and operational procedures. UNICEF, working closely with the World Bank, supported the development of the piloting concept, coordinated technical assistance, and contributed to the Monitoring and Evaluation (M&E) framework, ensuring that piloting results will inform refinements needed before scaling nationally.

Upon approval of the Law on Social Assistance and Law on State Benefits, discussions were initiated on the revision of family social needs assessment systems, including rapid assessment and case management. Technical experts have started reviewing existing regulations, international and national best practices, in an effort to streamline assessment tools. In parallel, significant progress was made in modernizing rapid and comprehensive family social needs assessment tools. Building on lessons from previous emergency responses (COVID-19, conflict, refugee influx), UNICEF supported the participatory revision and digitalization of a new needs assessment module embedded within the national system. Collaboration with WFP helped ensure that critical dimensions such as food security and household vulnerability to shocks were systematically included. The tool is now being tested and refined for wider use.

To support the rollout of the new VAS and enhance public awareness, MoLSA, in collaboration with UNICEF, the International Republican Institute, and Democracy International, developed a comprehensive Communication and Awareness Plan targeting key audiences, including stakeholders, journalists, and technical experts. While initial outreach activities experienced delays in 2023 due to the refugee crisis, renewed efforts were undertaken in 2024 to promote the objectives, processes, and benefits of the reform through design of joint messages, sensitization of key speakers etc. Wider visibility and communication activities are planned in the piloting phase.

These initiatives represent a significant transition from the conceptual design to the early operationalization of Armenia's new vulnerability and needs assessment system, paving the way for a more dynamic, inclusive, and resilient social protection framework.

WFP supported the revision of legal provisions and the enhancement of nutritional standards for children in institutional care. Government Decree No. 815, which defines the minimum standards for care and services in such institutions, was revised and aligned with other legislative acts, including Decrees No. 32 and No. 42 outlining hygienic requirements for food preparation. As part of this initiative, revised menus were developed for all age groups (up to 18 years), featuring an 84-day cycle and specific guidance for children with special dietary needs. In addition, a cost calculation model for menu development and 54 standardized food preparation technological cards were created to promote food safety and streamline meal provision across state childcare institutions. Building on this inter-ministerial achievement, a scale-up is planned for 2025 to include state-run daycare institutions for children.

Activity 1.1.7. *Support to design, revision and adaptation of fiscally sustainable **social assistance (cash/in-kind/services) integrated packages/programmes**, including for rapid response in crisis situations (joint between UNICEF, WFP and UNDP).*

As a result of continued advocacy by UNICEF and UNDP, and in close collaboration with MoLSA, a specialized personal assistance service for children and adults with disabilities was designed and piloted in 2023. Building on the pilot results, the Government amended Decree No. 1264-N (dated August 11, 2022) on the Provision of Personal Assistant Services, with the revised version [formally adopted on January 4, 2024](#). The amendments were developed through an inclusive process, involving active consultations with Organizations of Persons with Disabilities (OPDs), including those representing children with disabilities, service providers, and subject-matter experts.

The revised legal package also introduced key tools, such as a contract template to be signed between the beneficiary and the personal assistant, and a beneficiary satisfaction form to ensure quality monitoring. Notably, the amended decree allows persons with disabilities to nominate their own preferred candidates to serve as personal assistants. If no such candidate is proposed, beneficiaries may select from among certified individuals listed on the USS newly developed online platform.

Beginning in January 2024, the Government launched nationwide provision of the specialized personal assistance service. Initially, the service targets individuals aged 15 and older with severe or complete functional limitations due to motor, visual, mental, or intellectual disabilities (in the case of intellectual disabilities, also those with moderate limitations), provided they are currently studying, working, or expected to start doing so within three months.

Training modules for personal assistant candidates, developed during the 2023 pilot phase, were institutionalized and officially introduced in 2024. Certification of personal assistants, as required by the amended Government Decree, is now fully integrated into the system. In support of these efforts, MoLSA's Nork Technology Center developed an [online registration platform](#) for personal assistants and published a [step-by-step video guide](#).

The significance of these efforts was further reflected in the 2025 State Budget, where Personal Assistant Services were allocated a dedicated funding line. With support from UNICEF, a comprehensive monitoring mechanism was developed and operationalized in 2024. As of December 2024, over 100 beneficiaries had accessed personal assistant services, and more than 100 personal assistants were officially certified. Among beneficiaries, 45% were youth aged 15–18, with girls comprising 33%. A notable share of the service users, 42%, were from Yerevan.

In response to insights gathered through the monitoring system, further amendments to the Government Decree on the Provision of Personal Assistant Services were adopted on June 6, 2024. These revisions clarified procedures related to contract signing, registration, and termination of services.

Additionally, a comprehensive methodological guide was developed for USS staff to support the effective implementation and monitoring of personal assistant services. The guide outlines the responsibilities of USS staff in matching beneficiaries with appropriate personal assistants, facilitating contract agreements between the beneficiary, the personal assistant, and the USS, and providing clear guidance on evaluating ethical qualifications and suitability, whether the personal assistant is nominated by the beneficiary or is a family member.

To further support the expansion of disability-inclusive services, UNICEF conducted a comparative review of the best international practices from more than 10 countries on voucher-based services for persons with disabilities. The analysis focused on key parameters such as service duration, cost per hour, and eligibility criteria. Given the similarities in context, UNICEF Armenia engaged closely with UNICEF Georgia to facilitate exchanges with Georgian government representatives and draw lessons from their national experience.

Based on this analysis, UNICEF developed a comprehensive legal regulation package outlining the framework for voucher-based services. This package includes proposed revisions to multiple existing legal acts and new draft laws, as well as amendments to legislation on social assistance, employment, and public administration. The package details the types of services available to beneficiaries, duration and costs, nutritional standards for children and persons with disabilities, payment procedures for service providers, reporting requirements, and conditions for terminating services or rejecting payments.

Throughout 2024, UNICEF and MoLSA organized a series of public and private consultations with diverse stakeholders, including persons with disabilities, OPDs, parents of children with disabilities, service providers, and representatives from relevant ministries. More than 100 participants contributed to these discussions, which reviewed international models, the draft legal regulations, and the procedures for certification and service delivery.

Following feedback from these consultations, the legal package was revised, and a second draft was presented at a dedicated public meeting in October 2024. The updated version incorporated suggestions from right-holders, OPDs, service providers, and government stakeholders. Upon completion of this final round of consultations, the legal package was finalized and submitted by MoLSA to the Deputy Prime Minister's Office for consideration.

The package also includes amendments to Government Decree No. 1112-N (dated 2015) on Provisions and Conditions for the Care of Children, justification for the regulatory changes, and detailed costing of services. According to government plans, the new voucher-based system will be rolled out beginning in January 2027.

In a broader effort to promote disability-inclusive policymaking across sectors, and upon MoLSA's request, UNICEF launched a comprehensive assessment of Armenia's legal regulations regarding accessibility and participation of persons with disabilities, including children. This assessment, which responds to a directive from the Deputy Prime Minister, identified barriers across sectors and age groups. The final draft report was submitted to MoLSA and shared with all relevant government agencies to inform future regulatory reforms aimed at advancing inclusion and accessibility.

To support the design of service packages for adults with disabilities, UNDP initiated a research project aimed at estimating the extra costs associated with disability. However, due to an insufficient number of qualified applications received during the procurement phase, UNDP and MoLSA agreed to relaunch the procurement process in 2025 to ensure the engagement of a qualified research institution capable of conducting a comprehensive and high-quality study to inform evidence-based service planning.

Activity 1.1.8. Conduct a **comprehensive functional review of USS** to inform design of the new structures aligned with strategic and policy priorities (UNDP).

In line with the development of the ISS Strategy and the new USS services framework, supported by UNICEF, UNDP initiated a comprehensive functional review of the USS headquarters and territorial centers. This review aimed to ensure that USS management and operational systems are aligned with the required standards for implementing the broader social protection reform agenda.

The review focused on a gap analysis between the current and desired mandates, policy objectives, functions, structures, management models, innovation capacities, and business processes of the USS headquarters and territorial centers. Its primary goal is to increase the effectiveness and efficiency of the USS system, including the head office and territorial centers, as well as ensure coherence and human-centric service delivery on-site.

The functional review has been completed, providing a detailed assessment of gaps within the existing mandates, functions, and structures. It proposes a new institutional model designed to enhance the efficiency and effectiveness of USS operations, ensuring the delivery of timely, high-quality, human-centered, and preventive social services, particularly for vulnerable populations. A key priority emerging from the review is the transformation of Human Resources Management (HRM) within the USS. This includes establishing a new institutional HRM system and developing a digital HRM platform integrated with the newly created e-learning system. Another major focus will be strengthening frontline services by developing SOPs and InfoSnaps for frontline staff, as well as creating a more human-centered physical environment. Additionally, the report outlines a phased action plan for implementing the proposed reforms, along with a set of activities for pilot testing.

The report has been circulated among key stakeholders, including MoLSA and USS, for their feedback. Once the acceptable version of the institutional model presented in the report is finalized, a Pilot action framework based on the consensus model will be developed in collaboration with all stakeholders. This framework will be implemented in the Sisian and Kapan territorial centers, and the analysis of the results will serve as the foundation for the full-scale adoption of the new model. Furthermore, it serves as a foundational evidence base for the ongoing development of the ISS Strategy.

Activity 1.1.9. Development and operationalization of gender- and disability-sensitive and needs-based social protection financing, monitoring and evaluation frameworks and mechanisms (UNICEF).

To deepen the understanding of disability-related costs incurred by children/persons with disabilities and their households, UNICEF collaborated closely with MoLSA on several targeted initiatives. As part of the “Evaluation of Policies and Programs for Children with Disabilities in Armenia,” UNICEF integrated the [Washington Group/UNICEF Child Functioning Module](#) with a dedicated module on household disability-related expenditures. This research provided comprehensive estimates of average monthly and annual costs associated with raising a child with disabilities, covering expenses such as specialized services and transportation, and disaggregated by disability type, age group, and geographic location.



With the participation of representatives of executive and legislative bodies, as well as sectoral non-governmental organizations, the results of the analysis of data on expenditures for children with disabilities were presented at a public event in October 2024 and discussed for further action.

In parallel, UNICEF's Country Office worked closely with MoLSA and engaged UNICEF Headquarters and the Regional Office to review international best practices and develop methodologies adapted to Armenia's specific context and ongoing social protection reforms.

Separately, UNICEF initiated the development of tailored service and support packages for children with disabilities. These packages are customized according to disability type, severity of functional limitation, age, and gender. Validation workshops were held separately with rights-holders (including children and families) and duty-bearers (such as service providers and policymakers) for each disability group to ensure relevance and accuracy. The finalized service packages will be used to inform the costing of disability-related services for children. Together, the results of the household expenditure evaluation and the costed service packages will form the foundation for the planned introduction of a voucher-based service provision model.

Ongoing technical assistance was provided to MoLSA in preparation of the annual budget and Medium-term expenditure framework (MTEF) with focus on the vulnerability assessment system reform and new social assistance programme calculations, including projections for potential beneficiaries of the new system, services etc.

Initial consultations around the monitoring and evaluation framework were held largely around the new vulnerability assessment system reform, including initial definition of indicators. Further refinement will be done in 2025, once the pilot is launched.

Output 1.2. Administrative data systems are further integrated, modernized, developed and operationalized to enable improved governance, citizen-centric policy and programme design and delivery, monitoring and evaluation.

In 2024, this component of the Action remained a cornerstone of reform implementation, requiring even closer coordination, planning, and sequencing of activities between MoLSA, the three UN agencies, and the Nork Technology Center. As legal and policy reforms advanced, particularly with the adoption of the Laws on Social Assistance and State Benefits, the focus shifted from system design to operationalization, placing increased demand on the development and integration of robust administrative data systems and digital tools. The digital infrastructure became central to enabling reforms and given the scale and complexity of digital transformation in the social protection sector, joint planning ensured coherence across platforms, minimized duplication, and strengthened the foundations for scaling.

Activity 1.2.1. Support to further development of social work module, with focus on various aspects of family social needs assessment and case management (UNICEF).

UNICEF conducted extensive consultations with MoLSA and the Nork Technology Center to explore options for developing a comprehensive social work module with integrated social assessment and case management functionalities. These discussions focused on identifying a solution that is both cost-effective