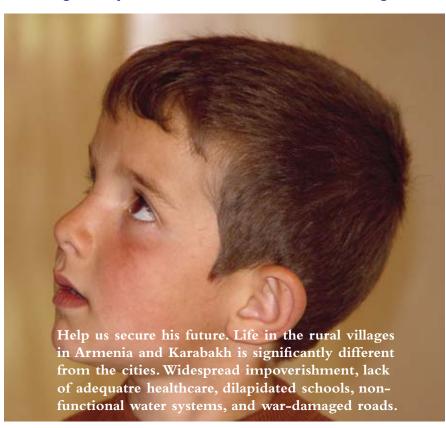
# RURAL DEVELOPMENT OF KARABAKH UNDERWAY

Touching all aspects of rural life in Karabakh villages



With the "Rebirth of Artsakh" Regional Develop- talization of Karabakh's rural villages through a ment Program underway, Armenia Fund USA with its international affiliates focuses on the revi- social infrastructure (schools, clinics, access roads,

series of capacity-building initiatives that include

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### **SAVE THE DATE: 9TH INTERNATIONAL** ARMENIA FUND TELETHON IS APPROACHING!

#### Help us revive the impoverished villages of Nagorno-Karabakh

Have you ever felt you could be part of a global effort and make a difference? Have you ever wanted to join like-minded people to help those less fortunate in Armenia and Karabakh? The

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9th annual Thanksgiving Telethon 2006, the international fundraising event of all affiliates of All-Armenian Fund, is the way to do it! On Thanksgiving Day, November 23, 2006, we invite you to join Armenia Fund USA and its affiliates around the world to help improve the daily lives of people in the impoverished rural villages of Nagorno-Karabakh.

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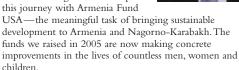


L to R: Armenian Minister of Foreign Affairs Vartan Oskanian with hosts Artak Herikian and Terry Phillips during Telethon 2005.

#### CHAIRMAN'S **MESSAGE**

#### Dear Friends

I would like to begin by first thanking all our friends and supporters for their willingness to take upon



2005 was a very significant year as Armenia Fund USA and its worldwide affiliates launched the "Rebirth of Artsakh" Regional Development Program for Nagorno-Karabakh. This was an important shift from specific development initiatives to more of a capacity-building regional development plan for Karabakh's rural villages that have suffered greatly the ravages of war. The initiative revitalizes the economic and social infrastructure of impoverished villages through strategically planned projects that include building clinics, schools, access roads, drinking water facilities, and implementation of an Agricultural Initiative to upgrade the agricultural production activities of subsistence farmers

Because of your generosity the mechanized land preparation activities for a cluster of 18 villages have begun this September. Working closely with the Karabakh government, farm equipment and technical services will be provided at affordable rates to farmer members of an Agricultural Development Association (ADA) we helped establish. The daily life in Nor Getashen village is revived through our water project that was completed in July. The Armine Pagoumian Polyclinic and Diagnostic Center opens its doors to new patients this month. Our integrated approach to rural development is touching all aspects of life!

During a recent trip to Armenia and Karabakh in May 2006, we were able to meet with local people in the villages and introduce them our rural development plan. The farmers were particularly interested in the Agricultural Initiative and combining efforts to improve ways of broad-based mixed farming in Mardakert.

Improving agricultural production in Karabakh is one priority, developing entrepreneurship to affect longer-term sustainability—another. This is why, with the Fund's initiation, many financial organizations have shown interest in providing microfinance facilities for member farmers of the Association. The Regional Development Program is an innovative approach to reduce poverty in the region and to upgrade standards of living of rural communities by supporting them in nearly all aspects of socio-economic activity. The Agricultural Initiative is helping them expand food production capabilities by increasing rural household income, by improving overall health and nutrition of families. It is an investment in the capacity of a region that has immense potential for agricultural development.

In the coming year the Fund will continue raising funds for the Regional Development Program. Hadrut and its cluster of villages in southern region of Nagorno-Karabakh will be the next beneficiary of this pioneering development project. The Agricultural Initiative, coupled with renovated schools, new hospitals, roads and water systems, will make a significant impact on the daily lives of people in each village.

Without your help none of the above would be possible. Our goal for the coming year is building upon past achievements and ensuring sustainability as a key component in our development efforts at every step of the way. We invite you to embark on this fulfilling journey of nation-building with Armenia Fund USA. Thank you again for your dedication and support.

Gratefully Yours,



Kevork Toroyan Chairman, Armenia Fund USA

#### RURAL DEVELOPMENT OF KARABAKH UNDERWAY from page 1

water systems) and economic development projects (Agricultural Initiative) in key regions of Nagorno-Karabakh.

The Agricultural Initiative, designed to upgrade the agricultural sector of Karabakh's economy, is a crucial factor in the overall socio-economic development plan for the region. It is a three-year agricultural development project that will improve the standard of living of the rural villages of Nagorno-Karabakh by targeting poverty reduction. The project started in the war-torn region of Mardakert and its cluster of villages and is to be continuously carried onto other regions. Hadrut in Nagorno-Karabakh will follow Mardakert's agricultural development project.



A local farmer reading about how to join the Agricultural Development Association

The Agricultural Initiative resulted when Armenia Fund USA and all 19 affiliates of All-Armenian Fund designed and launched the "Rebirth of Artsakh" Regional Development Program in spring of 2005. The three-year, three-phase initiative, shared by all affiliates of the Fund, focuses on developing the regions of Nagorno-Karabakh through an integrated approach that includes construction of new schools, healthcare facilities, drinking and irrigation water systems, access roads and an agricultural development project which is spearheaded by Eastern U.S. affiliate—Armenia Fund USA.

The Fund, with its worldwide affiliates, has been addressing core needs since its founding in 1992. The "Rebirth of Artsakh" Regional Development Program builds upon past successful projects and further develops basic infrastructure components with a strong commitment to sustainability.

#### Why agriculture?

Addressing the issue of functional agricultural infrastructure, given Karabakh's historical potential as a major agricultural area, appears to be the logical place to start improving the overall economy and, thus, the daily lives of rural people.

Anyone traveling in Armenia today will see the significant difference in standards of life of the urban population and rural communities with the latter in desperate need for socio-economic development support.

In fall of 2005, after conducting a field study of Nagorno-Karabakh villages and assessment of the situation of rural farming communities there, a team of leading experts from the United States structured a strategic plan to expand Karabakh's food production capabilities by careful balancing of the import/export ratio, thereby reducing the region's dependency on imported products essential to basic daily life.

The first steps were to support rural farmers in nearly all aspects of agricultural activity. However, without access to fundamental farm equipment, this was simply impossible. We therefore focused on strategies that would support purchase and maintenance of new agricultural equipment and provide technical support related services to small farmers at reasonable rates. An effective way of doing this was through the establishment of Agricultural Development Associations (ADAs) and Agricultural Services Corporations (ASCOs) throughout the region.

Mardakert region of Nagorno-Karabakh was selected as the initial place to establish the first ADA and ASCO.



The Rural Development Program will revive the villages of Karabakh through key socio-economic projects

#### What are ADA and ASCO?

After extensive deliberation over the clear definition of functions and structure of the two main administrative entities to implement the *Agro Initiative*, Armenia Fund USA, and All-Armenia Fund in Yerevan, in cooperation with Nagorno-Karabakh's government and Ministry of Agriculture, set the stage for the establishment of Mardakert Agricultural Development Association (MADA), a voluntary non-profit association for farmers, and Mardakert Agricultural Services Corporation (MASCO), a joint stock commercial

company to provide technical and farm equipment services at affordable fees to farmer members. The Association is an independent voluntary union formed to mutually benefit the participating members in their agricultural production activities.



Farmers of Mardakert's cluster of villages assembled to learn more about the Agricultural Initiative

Initially the MADA's activities are to be focused on growing wheat because it is currently the dominant field crop in Karabakh. As farmers become more independent and affluent in their agro production, they will increasingly be able to invest in longer-term or higher profit items. These include, but are not limited to grapes, fruit trees, pedigree livestock and in value-added processing such as meat packing, canning, wine making and dairy processing. The ultimate purpose of the Mardakert's ADA is to help small rural farmers to transform from merely subsistence farming to export production.

#### Who and how are we going to help?

According to present estimates, over 18 villages with a population of 9,371 in 3,125 households will be direct beneficiaries of this initiative.

In the fall, the newly established Mardakert Agricultural Development Association will start accepting membership applications from local farmers who will be eligible to receive agricultural services at discounted prices.

The Association will serve private lands first, then small rented fields near the villages. The MADA will be "an agent of change" for a region and its people who are just beginning to adapt to both a new economic model and a new organizational structure. Apart from providing upgraded technical assistance to farmers, the *Agricultural Initiative* involves significant efforts to emphasize the social factor of change in agricultural production in Karabakh. The idea of Agricultural Development Associations, the agricultural trainings for farmers, etc. are specific steps to engage rural communities to become entrepreneurs.

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<b>SA</b> adram	I would like to contribute to <b>Rebirth of Artsakh</b>		Nagorno-Karabakh is in urgent need of agricultural infra- structure support. The rural people have reverted to simple low agricultural production and marketing systems reminiscent of those used in the middle ages.	
	LAST NAME FIRST NAME		Commensurate with Armenia Fund USA's ongoing mission to champion sustainable projects. The Fund has selected	
UD(	ADDRESS	APT #	the Regional Development Project as the newest focus of its development efforts.	
T E	CITY STATE	ZIP CODE	Please return this card with your tax-deductible contribution to:	
P D I A	HOME PHONE WORK PHONE  □ \$150 □ \$300 □ \$1000 □ other		ARMENIA FUND USA, INC. East Coast Affiliate of Hayastan Himnadram 152 Madison Ave., #803	
me Coast /	Credit Card Number		New York, NY 10016 www.armeniafundusa.org	
Ar East (	Exp. Date SIGNATURE	DATE	1-866-HIMNADRAM or 212-689-5307 info@armeniafundusa.org	

# ARMINE PAGOUMIAN POLYCLINIC AND DIAGNOSTIC CENTER OPENS ITS DOORS

Imagine yourself in a remote village in a war-torn region, with a medical condition and no access to a doctor or a healthcare center. Imagine the daily socio-economic hardships the people of Karabakh have to cope with, and the health problems these hardships impose on men, women and children there. From malnourishment to high rates of smoking, from poor diagnosis to impoverishment and inability to afford medical examination— all make up the bigger problem of "underdevelopment." Among so many areas that require intervention and development assistance, providing adequate healthcare center for Stepanakert, center of Nagorno-Karabakh, was one that needed to be addressed immediately.



Armine Pagoumian Polyclinic and Diagnostic Center in Stepanakert

The Armine Pagoumian Polyclinic and Diagnostic Center that began as one of Armenia Fund USA's most ambitious projects, opens its doors to the first patients in September, 2006 in Stepanakert, Nagorno-Karabakh. The joy and bliss shared by

the people over the opening of what is to become one of the main multi-specialty healthcare centers in the capital of the region, once again testifies to the population's urgent need for a quality healthcare system. The Polyclinic aims to serve out-patient needs for everyone over the age of 15 seeking either preventative or acute care. It includes a Diagnostic Center which can handle advanced medical testing and analyses for the entire hospital complex furnished with high rate laboratory and ultrasound capabilities, X-ray, ECG and EEG equipment. Services are open to the entire community, and basic care is provided free of charge. Preventative care and community outreach will be accentuated by a Disease Control Center that specializes in battling Chronic Obstructive Pulmonary Disease (COPD), mainly brought on by prolonged tobacco use. Smoking continues to be highly prevalent among the populations in Armenia and Karabakh.

The completion of this bold project was based on not building the infrastructure alone, but also the core of sustainability—proper training of doctors and medical staff, continuous education, standard practices, modern procedures and diagnosis, and a proactive delivery of healthcare services. "We have not just produced a building; buildings don't save lives," strongly asserts Dr. Alina Dorian, a Senior Program Manager for the University of California Los Angeles Center for Public Health and Disasters. Dr. Dorian was instrumental in leading efforts in Stepanakert to establish a comprehensive healthcare program. "We are focusing on the physicians, the nurses, and the very people themselves. We are giving Karabakh an opportunity to be their own primary care givers and takers."

On board for the development and implementation of medical training modules and telemedicine program at Armine Pagoumian Polyclinic and Diagnostic Center is an impressive list of collaborators including UCLA's Center for International Emergency Medicine, Yerevan's Academy of Medicine, the American University of Armenia's Center for Health Services Research and Development, John Hopkins University's Center for Emergency Disaster and Refugee Studies and MediTech Company.



A laboratory at the Armine Pagoumian Polyclinic and Diagnostic Center.

Comprehensive training and the power of new medical technology and treatment constitute the solid foundations of sustainable healthcare at the *Armine Pagoumian Polyclinic and Diagnostic Center*. Through the use of telemedicine technology, the staff of the Polyclinic can consult with a medical expert in the United States before concluding the

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# Yerevan's Astvatsatsin Hospital Soon to Have a Renovated Neurological Division



Infant examination at the Somatic Division of Astvatsatsin Hospital in Yerevan

Yerevan's Astvatsatsin Hospital offers care for children from ages 2-18 and is considered to be the primary emergency care provider in the region. Built in 1982 and not having undergone any renovation since Soviet times, the hospital has survived a series of socio-economic hardships, especially in the years following Armenia's independence when very limited resources were available to sustain healthcare facilities in the Republic. Until 2004, the hospital represented an example of a facility in extremely deplorable conditions that undermined the ability to provide proper conditions for healing.

In April 2006, Armenia Fund USA, through the generous contribution of Mr. Agop Giritliyan, an Armenian philanthropist from Istanbul and long

time supporter of the Fund, started the much needed renovation works to restore the neurological division of Astvatsatsin Hospital in Yerevan. The project is a continuation of the previous restoration works done for the somatic division (a division for children with issues such as malnutrition, lack of normal growth and other developmental physical conditions) of the same hospital. Having started in 2004, the project was brought to its successful completion under Mr. Giritliyan's sponsorship. It was implemented parallel with a World Bank initiative to moderately redesign the hospital and renovate some of the divisions.

Inspired by the well-maintenance of the project and by the impact such projects can make on the daily lives of people in Armenia, Mr. Giritliyan decided to sponsor another critical division of the hospital.

This year, building on the success and well-maintenance of the infrastructure, Armenia Fund USA is undertaking the renovation of the neurological division of the children's hospital. The project is scheduled to be completed by fall 2006. The state-of-the-art renovation of the division is a bold initiative to take the provision of adequate healthcare service to a higher level for children who are in desperate need.

Armenia Fund USA's undertaking is a step to meet immediate healthcare needs of many children in Armenia. The initiative not only restores the two most critical wings of the hospital, but, most importantly, the hope of the children and staff of Astvatsatsin hospital for a better quality of life.

The right of every child and adult to adequate healthcare, established by multiple international protocols and conventions, still remains an area of need for thousands of children in Armenia and Karabakh. The Fund's initiative of renovating the children's hospital in Yerevan is another example of how Armenia Fund USA integrates its donors' vision with specific problem-solving initiatives.



Medical students attending a class at Astvatsatsin Hospital in Yerevan

Armenia Fund USA's other projects in the area of public health and medical care include the *Armine Pagoumian Polyclinic and Diagnostic Center* in Stepanakert, Nagorno-Karabakh.

### **INDEPENDENT ARMENIA IS 15 YEARS OLD**

15 years of independence, 15 years of statehood, 15 years of challenges



In September 1991, after refusing to participate in Gorbachev's planned referendum on preserving the Soviet Union, the Armenian people went to a national referendum with over 99 percent of the population approving the republic's commitment to independence. The Armenian Supreme Soviet's declaration of full independence on September 23, 1991 followed the vote.

And with that historic and courageous vote, this millenniums old cradle of civilization began a new era with the same lust and determination for life as that of ancestors from centuries past. The Republic of Armenia—an independent state with all the privileges of official statehood bestowed upon its citizens—fulfilled a dream that had been lost to past generations. Armenians in Armenia and around the world, united in one mission of helping Armenia's development, pledged to support the newborn Republic.

Despite widespread expectations for a smooth road to nation-building and hopes for a balanced transfer to open market economy, harsh days awaited the Armenian people.

The disintegration of the Soviet Union not only changed the geopolitical landscape of the region, but posed serious security issues for Armenia. The armed conflict over Nagorno-Karabakh, which has not found a peaceful solution up to this date, triggered a war in 1992 between the two neighbors—Armenia and Azerbaijan.

The recovery from the disastrous 6.9 magnitude earthquake of 1988 that had left over 40 percent of Armenia's territory devastated and taken more than 25,000 lives was still a day-to-day reality. With more than half a million people left homeless, the political instability both internally and externally, an economic blockade from west and east and an on-going war made recovery almost grind to a halt. The situation was further aggravated by a deep socio-economic crisis when, as a result of the transportation blockade, most of the industrial activity within the country was shut down, factories liquidated and basic energy supplies disrupted. These and other devastating factors imposed a widespread impoverishment throughout the country, leaving many of its people with little hope and desperate for help. A time of trial began for Armenia propelling the nation through intense growing pains as it fought for survival.

It was under these harsh circumstances that, by a special decree from the President of the Republic of Armenia, "Hayastan" All-Armenian Fund was founded in April of 1992. Initially mandated to meet basic humanitarian needs, Himnadram soon became the united voice of all constituents of the Armenian Diaspora around the world. The mission was one—to correctly assess the core area needs for development and help Armenia stand on its feet at a historical juncture of nation—building.

Diaspora's help to Armenia was not restricted only to humanitarian aid, but soon began to draw on major investments and a comprehensive strategy to implement grassroots development projects. A moral responsibility emerged, and many caught the vision—they could and would make a difference. Many non-governmental organizations were created with specific missions to address concrete issues. Armenia Fund USA, with its international affiliates around the world and with All-Armenian Fund in Yerevan, focused its efforts on providing sustainable socio-economic development through large-scale infrastructure, such as healthcare centers and clinics, major roads and highways, schools and cultural centers, drinking and irrigation water projects, housing and more. Further initiatives of the Fund started to include more of capacity-building programs with a special emphasis on rural development in the remote villages of Armenia and

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# Our Water Project in Nor-Getashen Completed

From its beginning, Armenia Fund USA has embraced within its mission the goal to go "beyond bricks and mortar." An example of that is the continuing community development of the village of Nor-Getashen since Armenia Fund USA's donor Mr. Norman Miller of Pennsylvania and his son Bearge brought clean drinking water (2005) to this tiny, war-ravaged community of Nagorno-Karabakh. Accompanied by his son, Norman Miller traveled to Nor-Getashen to personally see the changes made through the water project. He was touched to meet the families of Nor-Getashen who now had clean running water in their homes. Moved by the impact clean drinking water had made on the daily lives of the people of Nor-Getashen, Mr. Miller pledged to support the expansion of the project to include two other communities of the village.

In May 2006, while completing their visit to Havastan Himnadram affiliates' meeting in Yerevan, Kevork Toroyan, Chairman, and Irina Lazarian, Executive Director, also traveled to Nor-Getashen to review the progress of the water project. They were able to see the overall economic impact that these improvements had on families' lives. What impressed them most, however, was the well-maintained clean and neat classrooms of the village's only school which had no more than 72 school children. In this small village that has suffered greatly from the 1991 war between disputing countries Armenia and Azerbaijan, representatives of Armenia Fund USA could see hopeful faces that are now filled with optimism for the future. "We saw lively faces of

children, energy, willingness and vigor of villagers to tackle daily problems, and most importantly, how a small socio-economic improvement in this tiny community can be an incentive to move forward." says Ms. Lazarian, Executive Director of the Fund Nor-Getashen families once again thanked the Fund for giving them "the confidence and feeling" that they are not alone in their social struggle to make life better in Nagorno-Karabakh. The project in Nor-Getashen shows how small-scale development projects can successfully mobilize communities.

Apart from undertaking large-scale development projects defined in its mission, the Fund also helps facilitate smaller much-needed projects that some of its donors envision. In their continuing commitment to affect social change, several have, over years, adopted specific projects. Armenia Fund USA's restoration of the heating system in the Nork Orphanage (2005) through the generosity of Mr. Agop Giritliyan and the water-project (2004) of Mr. Vasken Kassabian are examples of such initiatives

Armenia Fund USA works closely with like-



The Water Project brought clean drinking water to women, men and children in Nor Getashen

minded organizations to deliver the necessary technical intervention to Armenia and Karabakh. Through the generous support of its donors, it continues touching lives of thousands of people giving them hope that change and improvement can, in fact, reach them. The emphasis on the maintenance of projects the Fund sponsors, the multifaceted support to ensure the long-term sustainability of initiatives, as well as thorough follow-up on the work completed, clearly confirm Armenia Fund USA's pledge to go "beyond bricks and mortar."

#### A ROAD TOWARD PROGRESS

#### North-South Highway: A Project That Lays the Foundation for Economic Development

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It is almost impossible to talk about economic development, moreover, about sustainability, if there is no reliable infrastructure to support that development. This was the logic behind the thinking of the initiators of All-Armenian Fund's five-year multimillion-dollar infrastructure project—North South Highway—a \$25 million road that extends about 100 miles connecting over 150 towns and villages throughout Nagorno-Karabakh. Today, the road is vital in not only providing general accessibility to the region, but also in making economic revitalization possible.

Over the last several years, Armenia Fund USA has challenged its donors and supporters to contribute to the \$25 million needed to complete the construction of the North-South Highway. Several Telethons-major fundraising events, traditionally aired by Western region affiliate of the Fund and through the participation of all Armenian Diaspora, have been devoted to the construction of this highway.

From Drmbon to Mardakert, from Hadrout to Tsakouri, from Kichan to Stepanakert—the highway winds its way through the towns and villages of an economically vulnerable and challenged region. Since the last update on the progress of the highway in 2005, only 16 miles (out of the 100-mile road) remained to be constructed. The process involves placeto-place explosions to

build the road, cleaning and earthworks, asphalting, as well as installing traffic signs in accordance to international standards.

The construction of the Stepanakert-Karmir Shuka section of the road started in January of 2005 and is due to be completed in October, 2006. This was the heaviest part of the remaining construction. Another section of the road under construction is Drmbon-Stepanakert, a 7.2-mile highway that links surrounding villages and towns to the capital of Stepanakert. A completed section



North-South Highway: a landmark project

of the highway includes the 3.2-mile Kichan-Drmbon road.

Approximately 13 miles of road remains to be constructed before the North-South Highway is complete.

Today, anyone traveling to Karabakh from Armenia or elsewhere can not help but value the new level of activity and ease of movement of people and goods in the region. Previously wardamaged narrow roads that were not accessible by vehicles are now replaced by a state-of-the-art highway that meets international standards. Building on its worthwhile pledge of providing long-term sustainability and development through all of the projects sponsored for the last fifteen years, Armenia Fund USA with its international affiliates is currently focusing on the regional development of Nagorno-Karabakh, with the Fund particularly focusing on the development of the agricultural sector of Karabakh's economy. Some new initiatives of providing access roads as part of the rural development plan will also contribute to the completion of the North-South Highway. Among many other efforts to support the region, the provision of proper road infrastructure is what Karabakh's economy will strongly rely on for years to come. North-South Highway is a landmark project that embodies the united efforts of all Armenians around the globe.

# INDEPENDENT ARMENIA IS 15 YEARS OLD from page 4

While the amount of progress and development that has been accomplished is laudable, there is certainly still much work that remains in order to develop Armenia into an economically stable and secure nation. As the phoenix rising from ashes, today's Armenia, with the successes registered and challenges still faced, stands as a testimony to the tenacity of its people and strength of the Armenian Diaspora. Even an indifferent eye would be unable not to notice new activity, progress and change in the economic, cultural and social aspects of life in Armenia.

15 years of independence, 15 years of statehood, 15 years of challenges.

This is how and why we celebrate the 15th Anniversary of Armenia's independence. Today is the time to proudly acknowledge the words of H.E. Vartan Oskanian, Foreign Minister of the Republic of Armenia, when he said:

"The Republic of Armenia exists, it is independent, and it is ours. It still needs its Diaspora, more than ever. We must cooperate, not compete, in order to turn the Armenia of our dreams into the Armenia of our future."

## TELETHON 2006

Volunteers needed!
November 23, 2006
Call us at: 212-689-5307

Armenia Fund USA Telethon 2006 East Coast Affiliate of Hayastan Himnadram

#### Visit us on the Web!



www.armeniafundusa.org

#### **New Channels for Giving**

As a donor you have the power to designate your contribution.

**Donate Online:** If you prefer the convenience the Internet affords, you can donate to Armenia Fund USA through our secure online server at www.armeniafundusa.org.

Here are some new ways of making a difference:

Corporate Matching Gifts: Would you like to see your donation doubled or even tripled? Over 9,000 companies and their subsidiaries have "Matching Gift Programs." Before you plan your next gift, check to see if your employer can help to increase the power of your donation.

Installment Gifts: Armenia Fund USA is making it easy for you to make your gift in periodic credit card installments that are manageable for you. You can support the projects that are dear to you without feeling the strain of large, upfront donations.

**Planned Giving:** Consider a planned gift and its many financial benefits. Planned gifts can be in the form of a willed estate or asset, a bequest or the beneficiary status of a pension plan or insurance policy. Speak with your financial planner to learn more or contact us directly.

Pay Tribute to a Loved One: Remember your loved ones with a "Memoriam Gift" or consider a gesture such as "In Lieu of Flowers" to help others commemorate a passing.

# **ARMENIA FUND USA**

#### AFFINITY TOUR—September 15-24, 2006

#### PLEASE JOIN US!

The first Affinity Tour of Armenia Fund USA will take place from September 19th through 26th, 2006. With adventure at hand, on September 21st, donors and supporters of Armenia Fund USA will travel to Stepanakert in Nagorno-Karabakh to celebrate Armenia's 15th anniversary of independence. While there, they will celebrate the Grand Opening of the *Armine Pagoumian Polyclinic and Diagnostic Center* and the launch of the first Agricultural Development Association (ADA) of the "Rebirth of Artsakh" Regional Development Program.

Heading the group in Nagorno-Karabakh will be Kevork Toroyan, Chairman of the Board. The tour will continue to Yerevan, Ethchmiadzin and the earthquake zone for the remainder of the trip—with the participants seeing some of the sites as well as several completed projects of All-Armenian Fund. Our friends at Hayastan All-Armenian Fund will be our trusted escorts and hosts—for which we are most grateful!

If you are interested in our next trip next spring/summer, please contact our offices at 212-689-5307.





# Heifer International to Implement a Pilot Project in Partnership with Armenia Fund USA

Heifer International, an international organization working with communities to end hunger and poverty through self-reliance, will implement a pilot project in two villages of Karabakh within Armenia Fund USA's agricultural development project in the region.

Based on its "pass on the gift" principle of ending global hunger, Heifer Caucasus has selected about 30 beneficiary families to help them overcome socio-economic hardships by providing agricultural inputs and training in farming practices. The families will receive 30 Heifer-animals to share their offspring, along with the knowl-

edge and best practices, with other project participants in 3 consecutive years. The project is aimed at improving nutrition of communities in the remote villages of Karabakh and ensuring food security of families that are mostly survivors of a military conflict that ravaged the region in

## **Armenia Fund USA Joins the Civil Society Voice of the United Nations**



"If the United Nations' global agenda is to be properly addressed, a partnership with civil society at large is not an option, it is a necessity." This is how United Nations Secretary-

General Kofi Annan defines non-governmental organizations' (NGOs) partnership with the world body and the importance of a unified vision to tackle global challenges that range from poverty eradication to provision of clean drinking water, from halting the spread of deadly diseases to bringing sustainability in the social and economic development of the world's impoverished.

Approved by the Committee on Non-Governmental Organizations of the Department of Public Information (DPI) in July 2006, Armenia Fund USA joined the United Nations' family of NGOs as an organization with extensive expertise in international development and humanitarian activities in Armenia and Nagorno-Karabakh. In its capacity to support the aims and most humane purposes of the world organization and more than 1500 NGOs that work closely

with it, the Fund's accreditation to the United Nations comes as a continuous commitment to its mission of bringing long-term sustainable development to men, women and children in Armenia and Nagorno-Karabakh.

Although having always had strong ties with civil society and private sector, the United Nations' relations with NGOs have significantly evolved over the past twenty years. This broadening included a very active inclusion of a wide range of entities, global organizations of various missions, and, most importantly, civil society groups in the day-to-day work and decision making of the UN. From the peripheral part, initially assigned to them, these actors today play a major role in raising awareness on a wide range of issues on a global level.

The UN Department of Public Information is the central source of information dissemination about the work of the UN and its cooperation with the civil society. More than 1,500 nongovernmental organizations and advocacy groups are currently associated with the UN through the DPI.

Founded in 1992 as part of Hayastan All-Armenian Fund and incorporated as Armenia Fund USA in 1995, the Fund's mission is providing large-scale infrastructure and self-sustainable

development to Armenia and Karabakh. Initially mandated with the task of providing humanitarian aid following Armenia's independence from



the Soviet Union, the Fund has evolved over years into an organization that has an impressive track record of having successfully completed a diverse range of large-scale infrastructure and self-sustainable development programs in the region. From combating poverty to providing jobs, empowering farming communities in poor and rural areas to strengthening civil society's involvement in the development and transition process of Armenia, the Fund has largely contributed to the overall economic development, social reform and encouragement of civic activism in the country.

Today, Armenia Fund USA joins the forum of like-minded organizations and partners to promote higher standards of living toward social progress and development.

# RURAL DEVELOPMENT OF KARABAKH UNDERWAY from page 2



The majority of the rural population in Nagorno-Karabakh villages are subsistence farmers making just enough to feed their families

A trip to Karabakh was organized in May, 2006, to oversee and provide technical assistance for the establishment of the first Agricultural Development Association in Mardakert.

To introduce Mardakert farmers to the organizational structure of the MADA and encourage them to join, Armenia Fund USA held meetings with farming communities to explain the benefits of becoming a member of the MADA. Involvement of Karabakh's agricultural ministry facilitated information finding and provision of important data.

Particularly noteworthy also were farmers' openness to the idea of an Agricultural Development Association, their willingness to cooperate and receive training in areas where current agricultural methods had proven outmoded, and the general interest in improving agricultural production through collective efforts.

The necessary equipment for the first Agricultural Development Association—tractors, share plows, wheat seed drills, trucks, mowers, and combines are already arriving to Mardakert from Belarus and China.

Estimated project cost of the  $Agricultural\ Initiative$  in Mardakert is \$1.2 million.

#### **ARMINE PAGOUMIAN POLYCLINIC** from page 3

diagnosis, and learn about alternative treatment options. The extensive videoconferencing network allows an on-going program of continuing medical education to physicians, nurses, medical students and hospital administrators.

The Center's innovative training program has involved modules, which, provided by leading public health experts from the United States, cover a wide spectrum of medical care and management issues.

Armenia Fund USA has successfully completed this vital project with the support of many visionary philanthropists. Mr. George Pagoumian, chief benefactor of the *Armine Pagoumian Polyclinic and Diagnostic Center* which was named in memory of his late aunt, is a successful businessman whose vision of helping people in this impoverished region has been instrumental in making the project a reality. "I see Armenia becoming a center in the region for technology, finance and medicine because of the strong educational beliefs of its people and their lack of prejudice," Pagoumian says.

The Armine Pagoumian Polyclinic and Diagnostic Center is a revolutionary project, the completion of which stands as a testimony to sophisticated and improved health care system and better treatment of illnesses that might otherwise be fatal for so many women, men and children in Karabakh.

#### We will not stop.

When plans for the *Armine Pagoumian Polyclinic* and *Diagnostic Center* were being implemented, it was apparent that continuous training and contact with medical professionals outside of Karabakh were critical in order to promote a higher level of primary health care for this isolated region.

As the Fund took measures to address this through an international non-profit that provides such a service, it became apparent that the need for such help is country-wide for both Armenia and Karabakh. In an effort to "go beyond bricks and mortar" and build sustainable much-needed infrastructure, Armenia Fund is currently engaged in the planning for a comprehensive telemedicine program. When completed, this will allow connection of medical facilities and providers throughout the region with state-of-the-art education and expertise from around the world.

#### **ANNUAL THANKSGIVING TELETHON 2006 from page 1**

Traditionally aired by the Western Region affiliate of Armenia Fund USA, the Thanksgiving Telethon has been a celebration of the Armenian-American communities throughout the United States and worldwide since 1996. The Telethon is watched in Canada, Europe, South America, Middle East and the CIS. Throughout the years, it has truly become an international drive that addresses critical needs for development in Armenia and Karabakh.

The Thanksgiving Telethon 2006 will be a 12-hour live broadcast featuring performances and interviews with celebrities, as well as political and religious leaders from Armenia, Karabakh and the

Diaspora. The fundraising program will also include footage from project sites where the Fund, with its international affiliates, has been implementing large-scale infrastructure development projects. Informative field reports will give the viewers of the Telethon a deeper understanding of life in Armenia and Karabakh.

Millions of people around the world are reached every year through the Thanksgiving Telethon which last year marked an unprecedented public participation in this global fundraising effort to bring long-term sustainable development to Armenia and Karabakh. Over \$7.7 million were raised toward "Rebirth of Artsakh" Regional Development Program for Karabakh.

2006 is also marked by a unique initiative. Funds raised through Telethon 2006 will go toward the Regional Development Program which entails upgrading the economic and social infrastructure of rural villages in Karabakh by using a capacity building strategy that includes almost all aspects of socio-economic development—building schools, drinking water schemes, access roads, healthcare centers and an Agricultural Initiative that Armenia Fund USA spearheads. It is a comprehensive plan to bring long-term economic sustainability to the impoverished village communities. This year's Telethon will focus on the Hadrut region of Karabakh.

Join us on Thanksgiving Day to celebrate gratitude by sharing our mission to secure a prosperous and peaceful future.

# Where to Catch the Telethon! Join us Thanksgiving Day, November 23, 2006

Where?	Which Station/Channel?	When?
	Also consult your local channel listings	
Miami, FL	WPXM	12:00pm-6:00pm (EST)
Chicago, IL	WCPX	11:00am-5:00pm (CT)
Boston, MA	WBPX, WDPX, WPXG	12:00pm-6:00pm (EST)
Detroit, MI	WPXD	12:00pm-6:00pm (EST)
New York	WPXN	12:00pm-6:00pm (EST)
New Jersey	WPXN, WPPX	12:00pm-6:00pm (EST)
Philadelphia, PA	WPPX	12:00pm-6:00pm (EST)
Providence, RI	WPXQ	12:00pm-6:00pm (EST)
Washington D.C.	WPXW	12:00pm-6:00pm (EST)

Live webcast on **www.armeniafundusa.org** (11am -11pm EST)

For broadcast information contact us at 1-866-446-6237

We now accept donations on-line through our web site www.armeniafundusa.org

ARE YOU CONNECTED?

If you have e-mail, we would like to add you to our directory. Please contact us at info@armeniafundusa.org

Your e-mail address will allow us to contact you quickly about important news and events.

# YOUNG BENEFACTORS SUPPORT ARMENIA FUND USA'S AGRICULTURAL INITIATIVE FOR MARDAKERT



(L to R) Tom and Alyssa Bonomo, Talene Najarian, Eric Baroyan, Amy Katcherian

Combining fun with philanthropy—what could be more exciting for a group of young professionals who organized an evening of cocktails to benefit Armenia Fund USA's Agricultural Initiative in the Mardakert region of Nagorno-Karabakh! The event which took place on July 26, 2006 was a big success. Thanks to young benefactors from all walks of life, more than \$13,000 was raised to support the Fund's programs which improve life in the impoverished villages of a war-torn region.

Generously hosted by Edele Hovnanian at her residence in New York City, the evening of cocktails and Mezze was put together with the help of Armenia Fund USA's junior committee of vibrant young professionals—Eric Baroyan, Kate Barry, Lisa Charkoudian, Nyire and Greg Melconian, Talene Najarian, and Margot and Randy Takian.

For the Fund's first event of the year the committee

worked very hard to put together an evening that was both fun and informative. Great music, delicious Armenian food and drinks, an atmosphere of friendship and unity for a common cause—all added to the excitement! Taking time out of their busy schedules, about 100 young benefactors attended the event.



(L to R) Kirk Kazazian, Richard Chirinian, Anahid Ugurlayan, Mossig Makhoulian, Talene Festekjian

Irina Lazarian, Executive Director of the Fund and Margot Takian, chairing the junior committee, welcomed the guests with a brief introduction of the "Rebirth of Artsakh" Regional Development Program, what the Fund would focus on for the coming year, and the project the fundraising drive was supporting. Guests were able to find out more about how the agricultural development initiative, one of the components of the Regional Development Program, would help small farming

communities in rural villages of Karabakh improve the agro industry sector of national economy, become entrepreneurs and uproot poverty from these much suffered regions.

Involving young professionals in the day-to-day activities of Armenia Fund USA is an important way of sharing with them a unified goal—reaching out to the less fortunate in Armenia and Nagorno-Karabakh. Young people strengthen the Fund's mission of building solid infrastructure upon which sustainable development rests.



(L to R) Lisa Charkoudian, Irina Lazarian, Margot Takian, Nyire Melconian, Kate Barry, Talene Najarian

All proceeds from the young benefactor's event are 100% tax-deductible and will go toward the implementation of the Agricultural Initiative, the economic underpinning of the Regional Development Program for key regions of Nagorno-Karabakh.

#### WHAT MAKES ARMENIA FUND USA UNIQUE?

We improve health, provide jobs and give new hope to the struggling people of Armenia and Karabakh through strategic social and economic development projects.

Our projects create a foundational infrastructure that equips local people to participate in sustaining and expanding upon our work to meet the changing needs of future generations.

All constituents of the Armenian Diaspora are served and included in our collaborative efforts to improve living conditions in Armenia and Karabakh.

Our strong connection with the Hayastan Himnadram network of Diaspora which is anchored in Armenia and Karabakh, gives us an invaluable working relationship with local experts who help coordinate, negotiate and direct our projects, saving time and money.

We have a long track record of sustainable development projects, and we hold ourselves personally accountable to partners and donors who entrust us with the funds we need to raise the standard of living in Armenia and Karabakh.

#### **LEADERSHIP AND PLEDGE TO ACCOUNTABILITY**

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#### **WE WELCOME OUR NEW BOARD MEMBERS**

Armenia Fund USA works closely with our Board Members to ensure the transparency and accountability in all projects. We are happy to announce the addition of our new Board Members, Gregory Amerkanian and David Pagoumian. Their professional talent and commitment to helping Armenia and Karabakh will greatly contribute to Armenia Fund USA's mission.



Gregory J. Amerkanian Currently a Vice President, Wealth Management Advisor, and Portfolio Manager in the

PIA Program, Mr. Amerkanian joined Merrill Lynch in 1993. His expertise is in the development of compre-

hensive financial strategy for high net worth families and individuals, to include retirement forecasting, asset allocation modeling, asset protection & estate tax minimization strategies. Gregory holds an Economics degree from the College of the Holy Cross, as well as the industry-wide designations of Certified Financial Planner, Certified Investment Management Analyst, and Chartered Retirement Planning Counselor. In addition to his professional activities, Mr. Amerkanian is also very involved in various charitable organizations, such as the Armenian General Benevolent Union (AGBU) and the Children of Armenia Fund (COAF). He is a member of the Financial Planning Association and the Investment Management Consultant Association. Greg resides in Norwood, New Jersey with his wife Natalie, and sons Shant and Garo.



David Pagoumian
Associate Board Member

After spending five years at Tri-City Brokerage as an Assistant Vice President in the National Accounts Unit, Mr. Pagoumian joined Napco in 1996. In

January of 2004, Mr. Pagoumian was appointed Chief Operating Officer and in December of 2004 he became President and COO. His current focus is program conceptualization, marketing, placing and servicing programs for multi-national and international Fortune 5000 customers. He is responsible for the implementation, oversight and coordination of Napco's placement services. Mr. Pagoumian graduated from The College of Insurance, St. John's University with a Bachelor's Degree in Business Administration and is a licensed Property/Casualty, Reinsurance and Surplus Lines Broker. He is an avid reader and an ice hockey enthusiast. Mr. Pagoumian and his family reside in Holmdel, New Jersey.