

Armenia (2009-13)

Global Research Project: *Strengthening Institutions to Improve Public Expenditure Accountability*

Grantee: Advanced Social Technologies (AST)

In 2009, a team of researchers from Armenia's Advanced Social Technologies (AST) was selected to participate, along with 13 other institutions from developing and transition countries, to a series of trainings and peer review workshops on public expenditure accountability methodologies.

Within the scope of this Global Research Project, the team carried out a Benefit Incidence Analysis (BIA) of Armenia's current public subsidies for higher education, and found out that the top income quintile received five times more subsidies (39%) than the bottom income quintile (8%). The team reached these conclusions based on a statistically significant national survey of 1600 households, budget data and unit cost data analysis. The study further recognized the key role played by high school-level programme services in defining poorer Armenians' lesser chances to pursue a higher education, and suggested to introduce a system of targeted subsidies (through loans and need-based allowances in universities) to counter poorer groups' exclusion from the national skilled labour market.

Documented as a Most Significant Result narrative by the organization, AST says that the results of the research were communicated to high-ranking government officials in Armenia including the Education Project Implementation Unit, heads of departments of Armenia's Ministry of Education and Science (MES), Deputy Ministers and the Ministry officials through both formal and informal channels, and at a strategic time when the Ministry was preparing a new strategy for equitable education, adopted by law in 2011. The Ministry, accepting the findings from the study, adopted these into its Education Strategy namely "2011-2015 State Program on Education Development" as Law #264 (published in Armenian only) on the parliament's website (http://parliament.am/law_docs/190711HO246havelvats.pdf) on 19 July 2011 to bring about more equitable spending in higher education. Although the government has incorporated the study finding in its legislation, it is yet to implement a pro-poor higher education policy in Armenia. Once implemented, there could be potentially around 10,000 direct beneficiary students who are potential aspirants for higher education. The policy has far-reaching potential to inform redistributive and equitable measures in the higher education sector in Armenia, and AST continues its cooperation with the Ministry.