



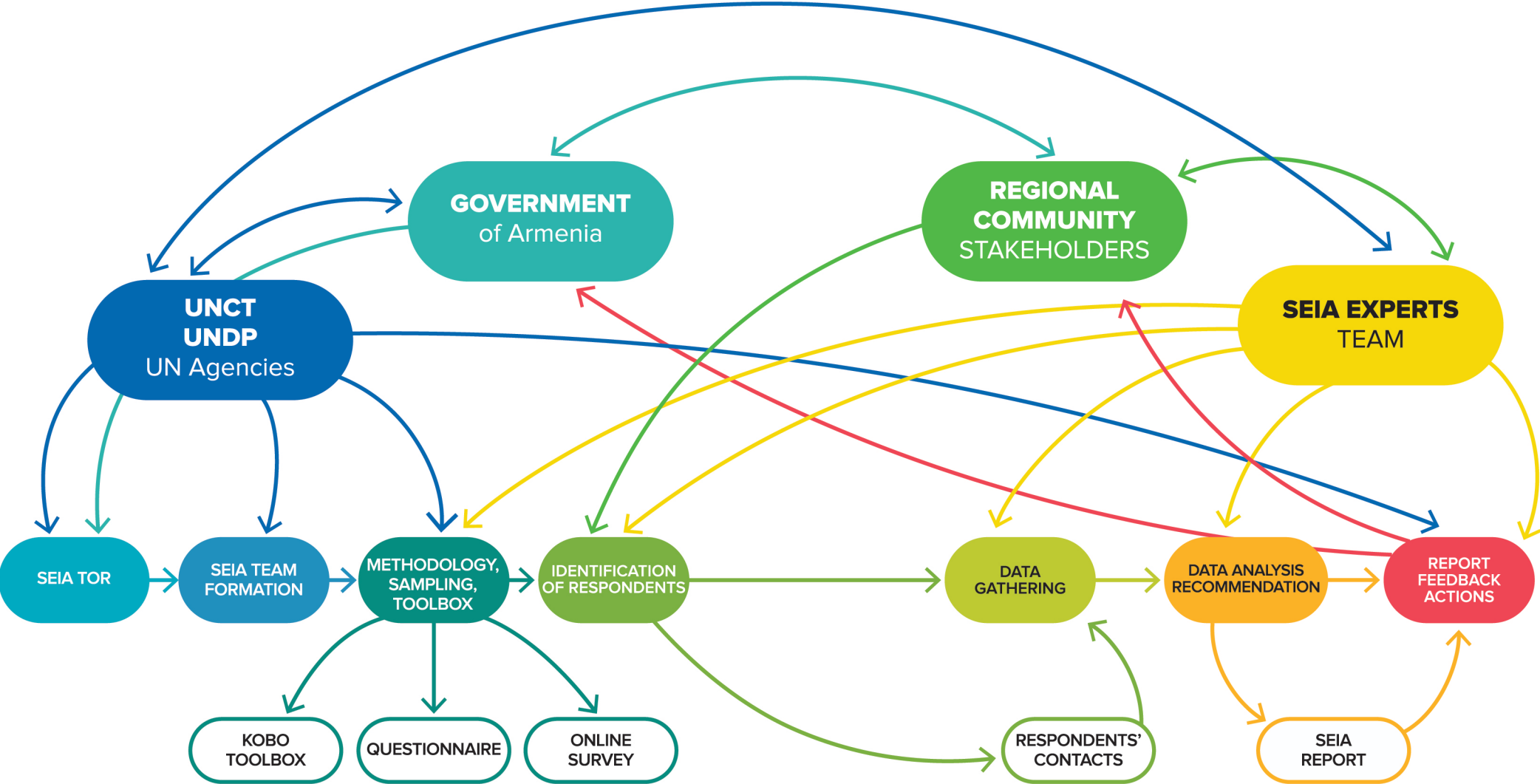
# **SOCIO-ECONOMIC IMPACT ASSESSMENT OF THE COVID-19 OUTBREAK IN ARMENIAN COMMUNITIES**

ARMENIA 2020

- **Nationwide socio-economic impact assessment of the COVID-19 crisis**, covering 125 communities and settlements across all 10 Marzes and Yerevan
- Builds primarily on data collected in May and June 2020 from **3,000 households**, **2,100 local businesses/farmers** as well as **over 600 representatives** of Mazpetarans, local self-governance bodies and service structures
- Presents **37 evidence-based recommendations** for more targeted and risk-informed response and recovery in Armenia



# System Map of the Socio-Economic Impact Assessment



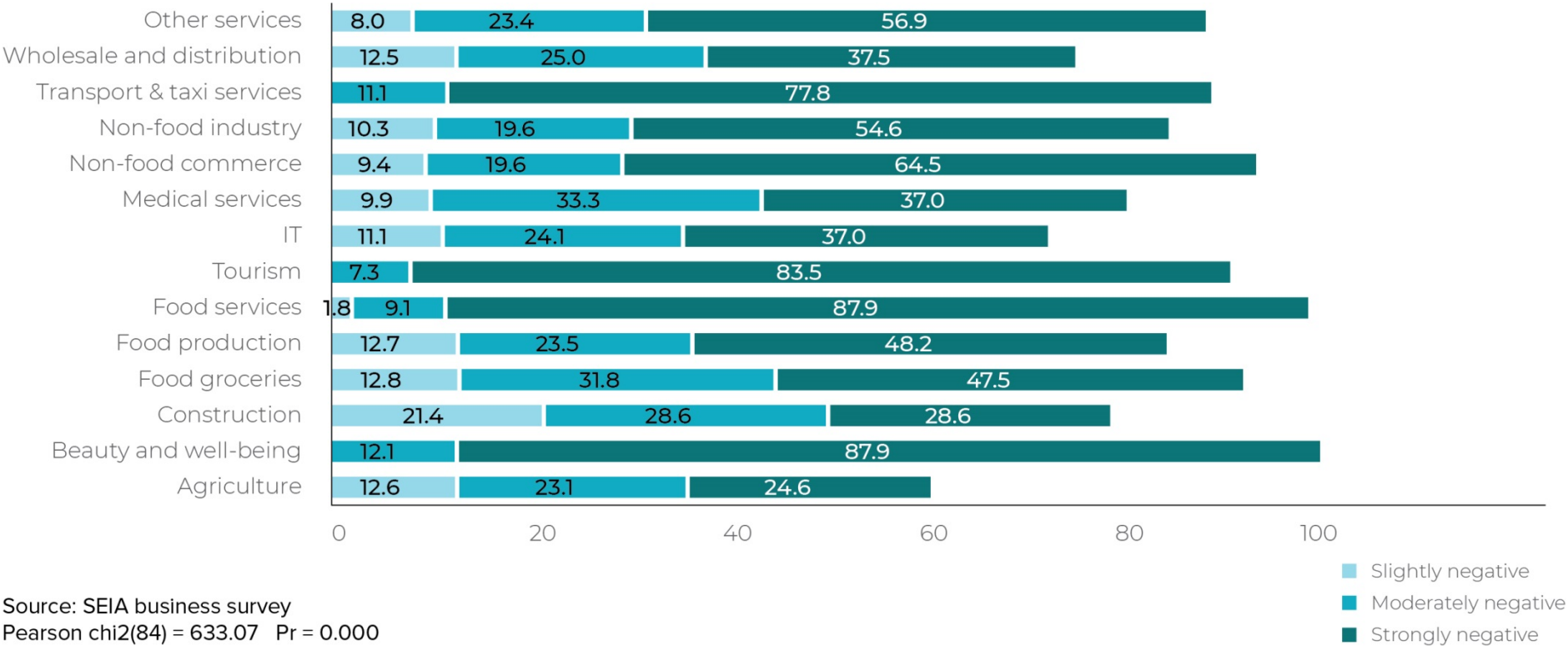
# IMMEDIATE ECONOMIC IMPACT OF COVID-19



# Strong immediate negative impact on business continuity

**Key Finding:** The impact on a SME’s business continuity correlates with their essential characteristics and field of business. The most negatively impacted SMEs operate in tourism, food service, transport and beauty services. Agriculture has been relatively less affected.

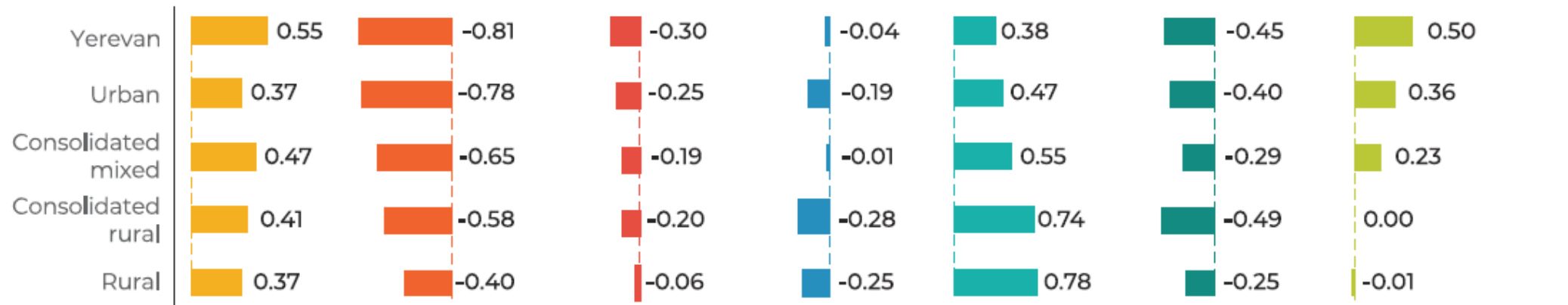
*The magnitude of COVID-19’s impact on SMEs by activity field, % in sectoral total*



# Strong immediate negative impact on SMEs, particularly in urban areas

**Key Finding:** Great differences in impact on SMEs across community types are noted. Urban areas, and particularly Yerevan, are the hardest hit.

## *SME Impact Indicators by Community Cluster*

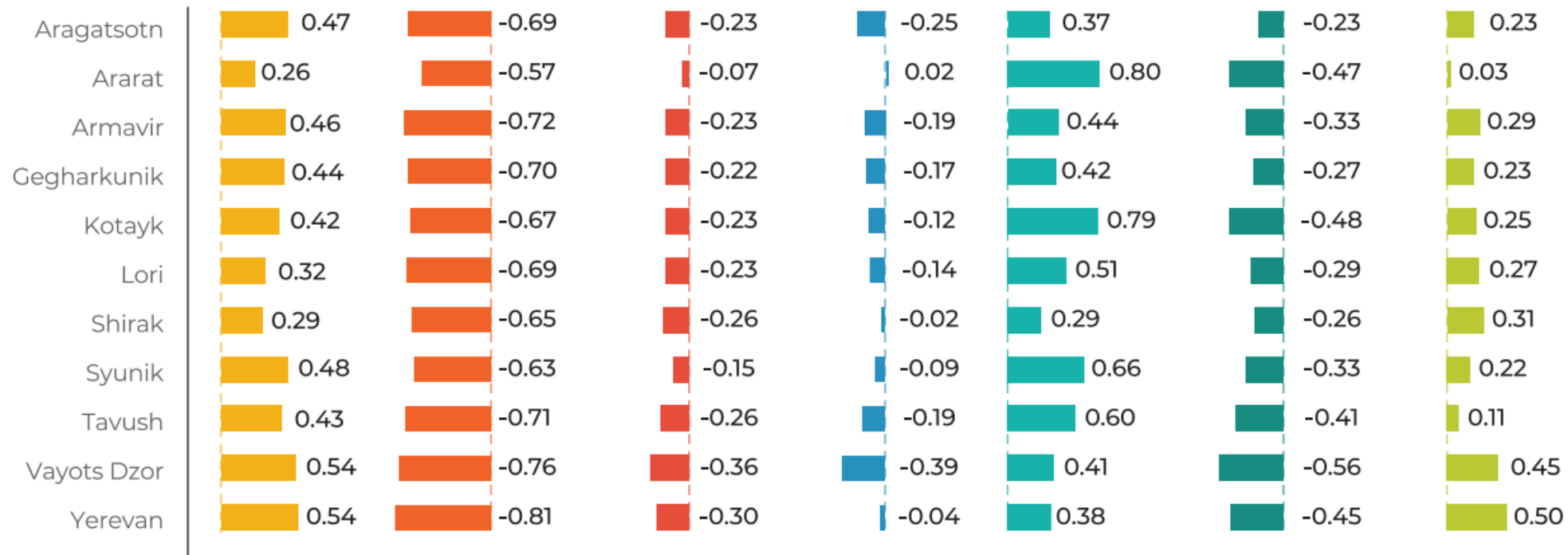


**Note:** The numbers for each indicator presents the position of the community type between -1 and +1. -1 shows the most negative or pessimistic position, while +1 shows the most positive or optimistic. The indicators are calculated based on the average results of the survey. Blue bars show the positive direction, and the red ones depict the negative direction.

- Pre-Covid Business Development Dynamics
- Magnitude of Impact of Covid-19
- Staff and/or remuneration reduction
- Expected Business Survival
- Expected Recovery Time
- Expectations on Economic Development
- Awareness & Accessibility of State Support

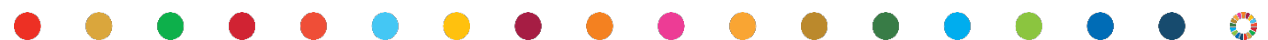
# Strong immediate negative impact on SMEs across regions

**Key Finding:** Great differences in impact on SMEs across regions are noted.



**Note:** The numbers for each indicator presents the position of the community type between -1 and +1. -1 shows the most negative or pessimistic position, while +1 – the most positive or optimistic. The indicators are calculated based on the average results of the survey. Blue bars show the positive direction, the red ones the negative direction.

- Pre-Covid Business Development Dynamics
- Magnitude of Impact of Covid-19
- Staff and/or remuneration reduction
- Expected Business Survival
- Expected Recovery Time
- Expectations on Economic Development
- Awareness & Accessibility of State Support

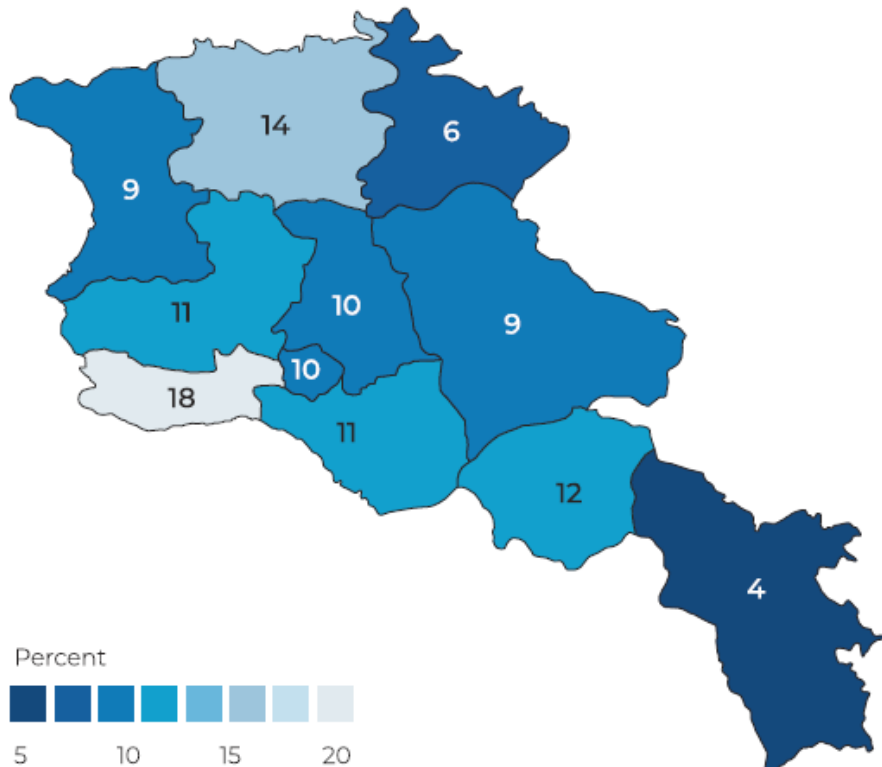




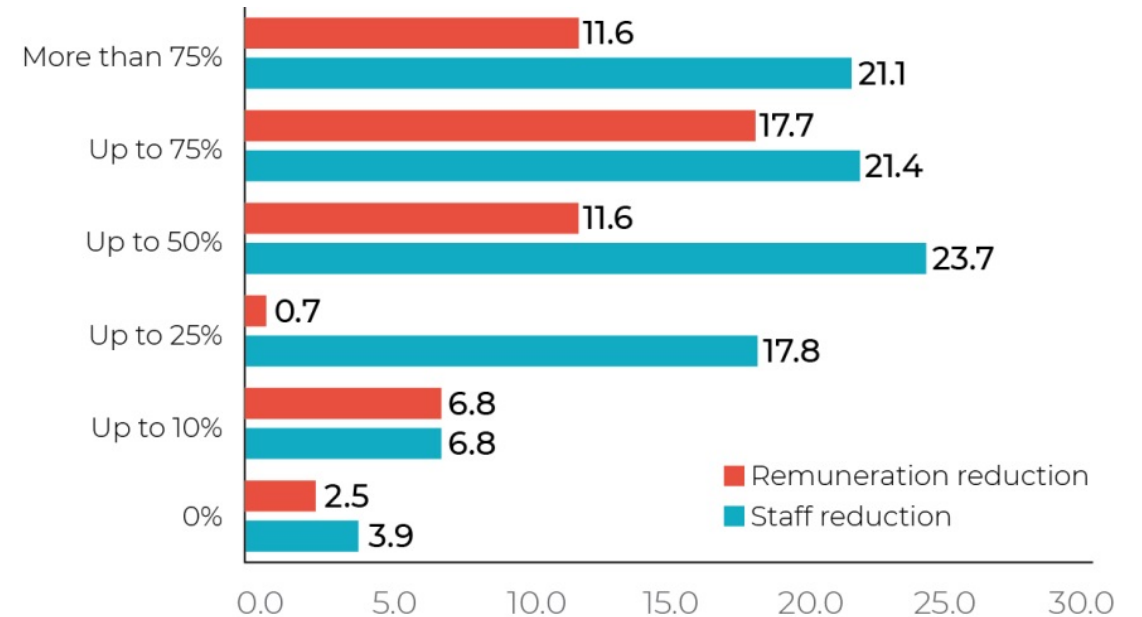
# Strong immediate impact on employment in Armenia

**Key Finding:** During the lockdown, most SMEs temporary ceased their operations. Job reductions in SMEs have impacted women more than men.

*% of respondents who had lost a job since the COVID-19 outbreak*



*Staff changes in respondent companies by share of women employees*



Source: SEIA business survey  
Pearson  $\chi^2(11) = 110.67$  Pr = 0.000

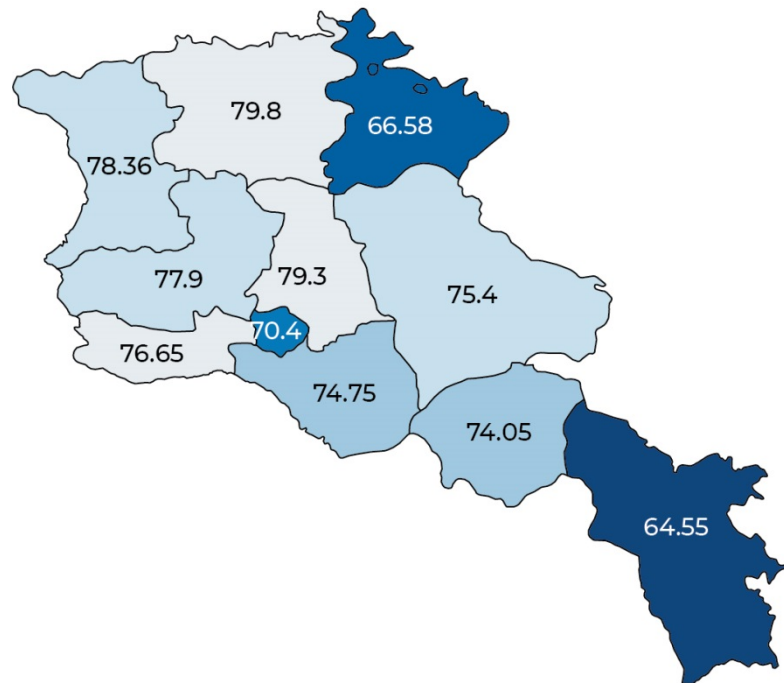




**Key Finding:** Poverty and vulnerability in rural areas are increasing drastically as a result of the COVID-19 crisis, not least due to difficulties in keeping up with payments of utilities

## *Difficulties if the pandemic will continue*

Difficulties in keeping up the basic exoences and paying for utilities

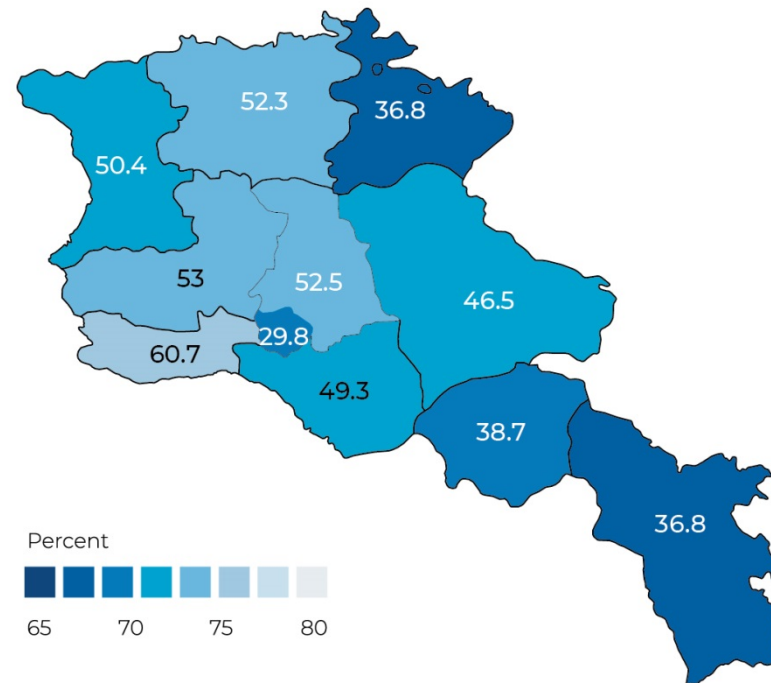


\* Chi-Squared P-value 0

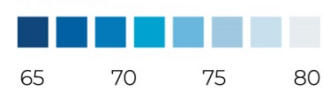
\*\* Only showing 'yes' category.

\*\*\* Note: N = 3054

Transform to alternative heating means



Percent



\* Chi-Squared P-value 0

\*\* Only showing 'yes' category.

\*\*\* Note: N = 2220



# SEIA RECOMMENDATIONS

COVID-19  
Country Level  
Response



# Five pillars of the United Nations COVID-19 response

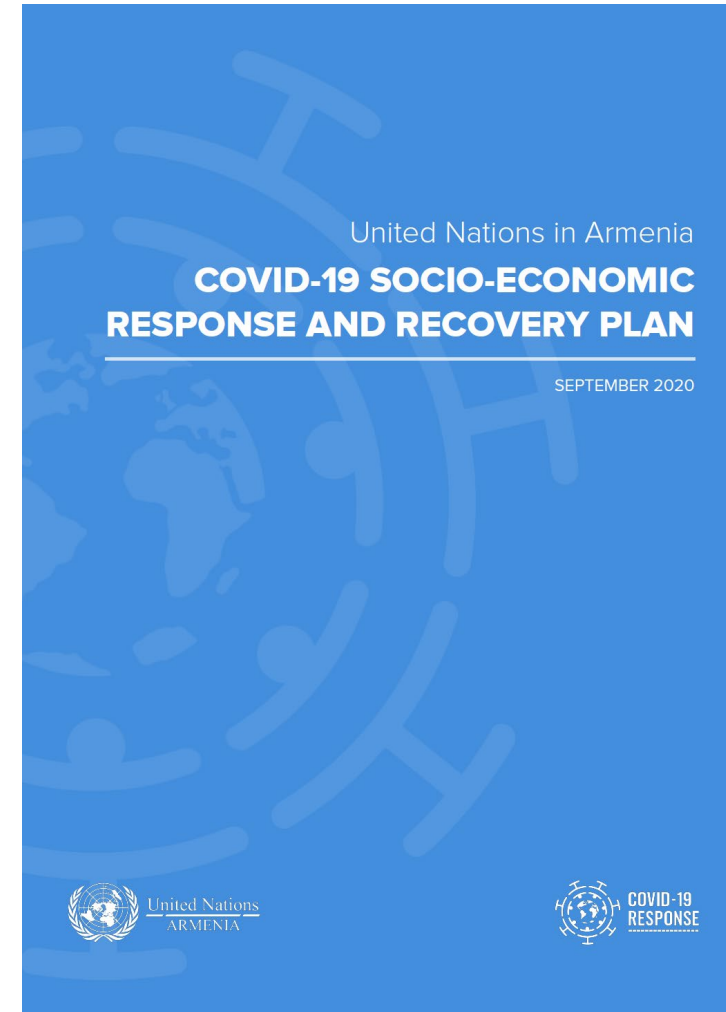
1  **HEALTH FIRST:**  
Protecting health services  
and systems during the crisis

2  **PROTECTING PEOPLE:**  
Social protection and  
basic services

3  **ECONOMIC RESPONSE & RECOVERY:**  
Protecting jobs, small and medium-  
sized enterprises, and the informal  
sector workers

4  **MACROECONOMIC RESPONSE AND  
MULTILATERAL COLLABORATION**

5  **SOCIAL COHESION AND  
COMMUNITY RESILIENCE**



- **Recommendation 14:** Revitalize economic life in communities through public work schemes
- **Recommendation 16:** Green the economy as a part of recovery packages
- **Recommendation 18:** Provide vocational training and job placement support to labour migrants
- **Recommendation 26:** Invest in digital supply chains



## ECONOMIC RESPONSE & RECOVERY:

Protecting jobs, small  
and medium sized  
enterprises, and the  
onformal sector workers



UNDP was the lead organizer and funder of this Assessment, in its role as the technical lead for Socio-Economic Recovery from COVID-19 Pandemic, and as part of the UN's overall response led by the UN Resident Coordinator.



The COVID-19 Socio-Economic Impact Assessment (SEIA) Report was produced in partnership with UNFPA, UN Women, UNAIDS, and the Asian Development Bank, and the generous technical support and inputs from other UN agencies and international financial institutions.

