



“I would like to express my appreciation for truly worthy production in the future. Also expressing our thanks to the factory for fine quality tailoring.”

Evgenia Ivanova, Director of Development,
Dimanche S.r.l.

Improving competitiveness of export-oriented industries in Armenia through modernization and market access

Launched in 2014, the project focused on the textile and garment sectors before expanding its coverage to wider macroeconomic gains and addressing the needs of the footwear sector. With ongoing support from UNIDO, the Armenian Ministry of Economic Development and Investments, Business Armenia and the financial support from the Russian Federation, the project seeks to foster rapid development of productivity, market competitiveness and export links to improve local livelihoods.

UNIDO'S APPROACH

The project aims to maintain and increase the local textile, clothing, leather and footwear enterprises' domestic market share and to contribute to Armenia's integration into regional and international markets. In particular, the project aims at building local capacity to support the development and modernization of small- and medium-sized enterprises (SMEs) and to position Armenian products as high-end designer goods.

Throughout the project, UNIDO supported 23 pilot beneficiary companies on a wide range of technical and business issues, including product design and development, quality management, production planning systems, legal matters, human resources, finance, marketing and networking.

More than 440 individuals from the eight selected Armenian garment producers were trained extensively and a collective brand, "5900BC", was created for marketing activities and the presentation of unique and innovative garment collections. Eight garment and two footwear 5900BC fashion collections were produced and showcased at national, regional and international exhibitions. The "Atex-Burgo" Fashion

School was established in Yerevan in conjunction with a leading fashion school based in Milan, "Istituto de Moda Burgo".

IMPACT

Since its launch in 2014, UNIDO conducted a thorough diagnosis of manufacturers' performance and jointly implemented tailor made upgrading plans, thereby improving the products' quality, as well as facilitating the establishment of business networking and business partnerships. As a result, garment and footwear manufacturing enterprises' turnover increased by 92 per cent, exports of goods nearly tripled (+196%), whilst employment at the beneficiary SMEs almost doubled (+91%).

WAY FORWARD

UNIDO facilitated a public-private partnership with the Ministry of Economic Development and Investments of Armenia, which envisions the establishment of a Light Industry Support Centre. This public-private partnership aims to enhance the competitiveness of the garment and footwear sectors, allow the local SMEs to find qualified specialists, innovative methodologies and high quality technical services, and jointly create products that are competitive. At the same time, this Centre will serve as a regional hub of technical high quality support services for national and international manufacturers and SMEs, which will enable the sustainability and the improvement of Armenia's position in the light manufacturing sector internationally.

AT A GLANCE

Project title	Improving competitiveness of export-oriented industries in Armenia through modernization and market access
Thematic area	Advancing economic competitiveness
Donor	Russian Federation
Project counterpart	Ministry of Economic Development and Investments of Armenia, Business Armenia
Budget	USD 1,000,000 (Phase I) USD 1,977,500 (Phase II)
Duration	01.07.2014-01.07.2016 (Phase I) 01.07.2016-31.06.2019 (Phase II)