



**“ARMENIAN GREEN  
TECHNOLOGIES  
CENTRE”  
FOUNDATION**

Strategic Plan

**Gyumri 2016**

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## 1. Vision of “Armenian Green Technologies Centre” Foundation

The “Armenian Green Technologies Centre” Foundation is one of the leading organizations in the Republic of Armenia in the sphere of renewable energy and energy efficiency, which has a significant contribution in green technologies, renewable energy, energy efficiency and environmental approaches/ideas and dissemination of information, research, education and training of professionals, introduction and dissemination of green technologies.

The “Armenian Green Technologies Centre” Foundation to start its activities is guided by the principles of public usefulness, social responsibility, mutually beneficial partnership and fair competition, aimed at achieving of social and economic problems resolving in the country, as well as development of renewable energy and energy saving sector.

## 2. Organization’s Mission and Goals

The Republic of Armenia has no energy resources such as oil and gas, and almost completely depends on imports for energy production. Country’s economy, economic entities and households entirely dependent on the price policy dictated from abroad, which, to put it mildly, is unstable. At the same time, Armenia is rich in renewable energy sources (solar, hydro, geothermal). The current geopolitical situation of the country, geographical and climatic conditions make the spread of large-scale application of green technologies as imperative and demanded. Application of energy saving measures and regimes becomes a priority.

The mission of the “Armenian Green Technologies Centre” Foundation is:

- Contribute to improvement and implementation of public policies directed to development of the sector, and formation of culture of application and dissemination of green technologies,
- Contribute to conservation of natural ecosystems, introduction and development of mechanisms for climate change mitigation and adaptation,
- Implement public awareness on green technologies efficiency and **perspectiveness**, ensure public participation in introduction of green technologies by directing those for public and business use,
- Expand the network of organizations and professionals through educational programs, contributing to formation of competitive environment in the sector,
- By own example, demonstrate effectiveness of application of the green technologies in public and business sectors.

The goals of “Armenian Green Technologies Centre” Foundation are:

- Make “green” technologies as developed and applied sector in Armenia,
- Make public awareness of green technologies widespread and wide public involved in production, introduction and use of these technologies,
- To a greater extent, expand the number of professionals in the field, inform on innovations and new technologies in the field of green technologies,
- Increase the number of businesses operating in the field, and contribute to establishment of a competitive environment.

### **3. Organization’s Value System and Principles of Operation**

The “Armenian Green Technologies Centre” Foundation to start its activities has adopted and is guided by the following core values:

- Strengthening Armenia's sovereignty, economic and energy independence,
- Solution of environmental problems, prudent and balanced nature management, conservation natural ecosystems, and climate change mitigation,
- Public benefits: social responsibility and fair competition,
- Corporate governance, based on the idea of the mission's implementation priority,
- Best meet the needs of beneficiaries.

### **4. Organization’s Structure and Management System**

The management bodies of the “Armenian Green Technologies Centre” Foundation are the Board of Trustees and the Director.

#### **Board of Trustees**

The supreme body of the “Armenian Green Technologies Centre” Foundation is the Board of Trustees. It implements the strategic governance/management on the basis of the foundation’s vision, principles and the system of values to achieve the pre-determined objectives.

The Board of Trustees of the “Armenian Green Technologies Centre” is comprised of the founders of the foundation, and representatives other interested organizations for development of the sector. The composition of the Board of Trustees of the “Armenian Green Technologies Centre” Foundation is defined in accordance with the RA legislation. The foundation's Board of Trustees adopts the strategic and operational plans, approve the annual budget (as well as programmatic budgets), accepts annual reports, appoints the head personnel.

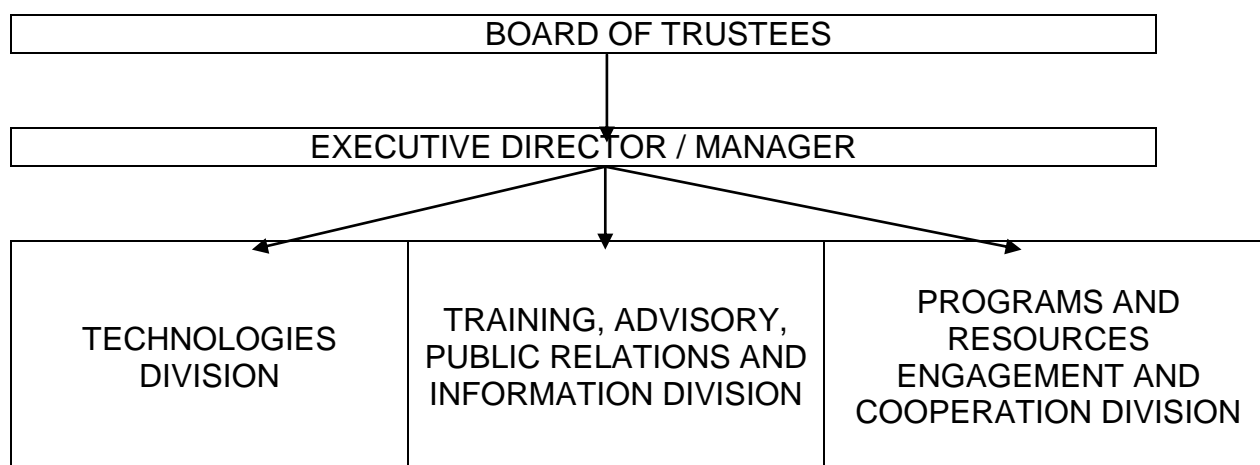
The Board of Trustees organizes its activities through meetings that are held at least once every three months. The meetings are convened and chaired by the Board of Trustees Chairperson.

The Director of the Foundation participates in the meetings of the Board of Trustees in an advisory capacity.

### **Director of the Foundation**

Director of the Foundation is first appointed by the founders of the foundation. The Foundation's Director administers activities of the foundation. Competences and duties of the Foundation's Director are determined by the Charter of the "Armenian Green Technologies Centre" Foundation.

### **"Armenian Green Technologies Centre" Foundation's Structure**



#### **TECHNOLOGICAL DIVISION**

- RES and EE technologies development, equipment manufacturing and installation.
- Application of RES / EE technologies for reconstruction of buildings/houses, insulation of buildings.
- Introduction of new technologies for agriculture and environment sectors, adaptation, development and investment.

#### **TRAINING, ADVISORY, PUBLIC RELATIONS AND INFORMATION DIVISION**

- Research works / studies,
- Training and consulting services,
- Information collection, processing and dissemination.

#### **PROGRAMS AND RESOURCES ENGAGEMENT AND COOPERATION DIVISION**

- Formation and strengthening of public relations,
- Development and presentation of new projects,
- Work with government agencies, donors, regional and local government bodies.

***Thus, the fundamental activity direction of the “Armenian Green Technologies Centre” Foundation is environmentally oriented, which is based on the practical application of green technologies, dissemination of ideas, the publicity/promotion and multiplication. Advocacy in the field of green technologies, dissemination and popularization of environmental concepts of ideas, are invariable strategic directions of Foundation’s activities.***

## **5. Financing Sources and Financial Sustainability**

The “Armenian Green Technologies Centre” Foundation, in order to realize its mission has to achieve financial sustainability by providing stable financial flows for daily activities.

Foundation’s funding sources include all means not prohibited by law, including commercial (business) activities.

Foundation’s sources of financing may be:

- Grants and donations from the donor organizations,
- Funding or donations from businesses and individuals,
- Financing under state programs,
- Own funds formed from commercial activities,
- Other sources not prohibited by RA legislation.

It is necessary to have a detailed business plan, to ensure the stability and effectiveness of each funding source, which will include studies (market research) of supply and demand of services and technologies.

To ensure financial stability, it is necessary to develop and implement a marketing strategy that will include information on the Foundation's activities, as well as advertisement of offered services and technological application.

The above-mentioned steps should be directed not only to carry out commercial activities effectively, but also to raise funds for non-profit projects.

## **6. “Armenian Green Technologies Centre” Foundation’s SWOT Analysis of Current State**

SWOT Analysis of the “Armenian Green Technologies Centre” Foundation has been conducted in December 2015, as a result of interactive discussion/workshops with the founders and the executive representatives of “*Green Energy for Green Socio-Economic Progress*” - *Minimizing social and economic hardship of the rural population and rural communities in Shirak region of Armenia by promoting multi-purpose renewable*

*energy systems and “green” income-generation sources”* project (hereinafter the Project). As a result of examination of the responses given by the participants (see Annex 2 of responses), is likely to confirm that the information provided is accurate and complete.

Despite that the “Armenian Green Technologies Centre” Foundation is in process of establishment and registration as a legal entity, the presented SWOT analysis being an important component of the strategic planning, can be of enormous help to the persons responsible for Foundation’s activities, to:

- develop and strengthen existing advantages of competitiveness,
- create new competitive advantages,
- develop measures to eliminate existing shortcomings,
- develop action plan to confront external challenges,
- make maximum use of the existing opportunities/possibilities.

### **“Armenian Green Technologies Centre” Foundation’s Strength**

As “Armenian Green Technologies Centre” Foundation’s strengths to be mostly mentioned the positive aspects related to the professional skills of the responsible persons. Among the persons responsible for the Foundation's activities there are professionals in the field with knowledge and experience for implementation of practical work. It is important to indicate the presence and management skills to work with the public, experience in developing and implementing projects, and team work skills. It is also important that the Foundation can be described as an integrity of mutually complementary team of professionals. However, in order to organize the Foundation's work more effectively, it is necessary to regularly and permanently add capacities (professional, management and communication). This assertion is mostly substantiated by the fact that, in the Foundation weaknesses are mentioned:

- Inadequate knowledge of foreign languages (English),
- Lack of knowledge, the need for training,
- Team members' disproportionate and irreconcilable knowledge in the field.

In any case, existence of professional capabilities enables to organize the Foundation's governance and management of activities on a firm basis. The observations come to assert that the professional skills and management still need enhancement and it should be one of the topics of daily care of Foundation's executives. Particular attention should be paid to improving of teamwork.

One of the Foundation's strengths are existing connections with international and donor organizations, as well as with other institutions acting in the field. These connections, and also daily contacts with the public in Yerevan and Shirak region, are an important opportunity in terms of representing Foundation's activities and expanding scope of actions. But for more complete understanding of the real picture in the field, it is necessary to expand relations with stakeholders/beneficiaries. The need for the latter is substantiated by the fact that the **"poor public relations"** are also referred to in the Foundation's weaknesses.

"Armenian Green Technologies Centre" Foundation's strengths (strong sides) are the availability of space for comfortable operation, as well as technical equipment and capabilities. It should be noted that the above is an important aspect, which still needs a further development. The Foundation technical base is necessary to develop by taking progressive steps both financial and professional.

One of the Foundation's strengths to be noted is that the founders and executives realize the common goal. Such a thought in place is a positive sign in the sense that it recognized the existence and importance of the pursuit of a common goal. However, our independent expert observations allow asserting that in order to the common goal to be clarified by the Foundation's executives, it is necessary to arrange more often discussions, analysis, direct and frank conversation. This is very important because of **"lack of proper internal communication, sincerity and openness"** are also mentioned in the Foundation's weaknesses.

### **“Armenian Green Technologies Centre” Foundation’s Weaknesses**

As “Armenian Green Technologies Centre” Foundation’s weaknesses first of all should be mentioned the lack of knowledge about the market, the lack of experience in market assessment and marketing.

The key to success for any organization is to determine their own place in the market and strengthening its positions in the market. Therefore, first of all it is necessary to clarify list of services and products offered by the Foundation and possess reliable information on the products and services market.

Part of the answers to these questions are given in presented "Strategic Plan", whereas the market study should be the Foundation's priority issue in the nearest future.

One of the Foundation's weaknesses is that participants do not have much experience in the business. This shortcoming can be overcome in a short time being active in this field and using professional consultancy.

As of today, the Foundation weaknesses are still not operating structure and the absence of a person responsible for each direction. The individuals responsible for the Foundation, being involved in many other errands and projects, do not have enough time to fully deal with the Foundation's problems.

There are two ways of solving the above mentioned issues/problems:

1. After adoption of the Foundation's "Strategic Plan" and the Charter, clear distribution of roles and responsibilities of the founders. After that, each person should be responsible for certain direction of activities, and in case of shortcomings should bear responsibility for the consequences.
2. If the founders do not have enough time to fully get engaged in Foundation's management and resolve its problems, then professionals/managers invited outside should be involved in management of the Foundation, who will bear the



full responsibility for the administration and will be accountable to the Board of Trustees / founders.

Among the Foundation weaknesses is also noted that the team members have different temperament and mentality. However, these are the "flaws" that could become the Foundation's strength. The existence of different temperament and mentality is the wealth of an organization, if they are used on a constructive basis. The fact that these different temperaments and mentalities embarked on the path of implementation of a cohesive idea, is the best proof of that.

As a weakness, lack of funds can be also noted, which is common for almost all organizations. As ways of overcoming the latter are: more hard work, development of new projects and submission to donor agencies, making as less as possible mistakes in the market and success in business.

Weak appreciation of the strategic objectives of the Foundation, is one of its weaknesses. The fact that the team members came to the necessity for development of the Foundation's "Strategic Plan" and ordered to the independent expert, means that there is a clear desire to overcome this weakness.

### **Opportunities**

Opportunities in the sector/field are enormous. This is evidenced by the answers given by the team members. In terms of opportunities, first and foremost we must emphasize the fact of growing interest with respect to RES and EE sector in the various layers and structures of the society.

Today RES / EE sector has a huge army of supporters. Donor organizations interest in this sphere is constantly growing. The Foundation should use those opportunities to become more presentable and capture a leading position in the sector. There is an increasing interest towards the sector at the state level, in the form of legislative initiatives, which to some extent may be the impetus for sector development. The Foundation should also be active in this field, in terms of acting as a structure involved in advocacy and lobbying of interests. In this case, one can also expect some kind of state/government support.

Public interest in the sector creates an opportunity for the Foundation to shape certain demand for services and products offered. That's why, it should be emphasized again the need for a detailed market study.

Favourable factor for acting in the sector is the existence of competition (competitiveness). In a market economy existence competitive environment is the best guarantee for the development. The competition is an opportunity to strengthen competitive advantages in terms of experience and imitation. Existence of competition is an opportunity in terms of experience imitation and strengthening competitive advantages. However, for strengthening and maintenance of competition in the sector, one should also fight against unfair competition, nepotism and corruption.

The Foundation carries out its activities primarily in the Shirak region, which has favourable natural and climatic conditions for large-scale activities in the RES / EE sector. However, there is a noticeable social tension in the Shirak region, which could be overcome by comparing data from the market study.

### **Threats**

Alongside with opportunities, there are also certain threats that need be always kept in view and take steps to overcome them.

Unfair competition is one of the possible threats. Armenia's economic and governance realities make the possibility of such a threat actual. In order to overcome the threat of unfair competition, it should be fought against existing vices (this is referred in this section of Opportunities).

Possible artificial obstacles and negative PR are considered as threats for the sector. To overcome the latter, it is important objective and professional presentation, lobbying activities, ensuring access to information to the wide public. The interesting and effective means are regularly organized conferences, roundtables and workshops. The Foundation must show activity in this direction too.

Non-affordability of RES / EE products and services for population is among the threats. The foregoing should be considered not as a threat but a reality. Realities has to be reckoned and adapted with. That comes again to the need for market study. Without professional market study would be difficult to assess the extent of availability/affordability of RES / EE products and services for population.

## **7. Strategic Directions of “Armenian Green Technologies Centre” Foundation’s Activities**

The studies show that the executives of the "Armenian Green Technologies Centre" Foundation indicate on the 5 main strategic direction of its activities, which are grouped the basis of “Key Directions of *Green Technologies Centre* Foundation” (see Annex 2). These are:

- A. Development proposals on RES technologies, equipment design and manufacturing, installation and mounting.
- B. Development of proposals on EE technologies, energy efficient reconstruction of buildings, improving EE in buildings by application of EE technologies.
- C. Introduction, adaptation, elaboration and application of new technologies in the field of agriculture and environmental protection.

- D. Conducting research in the field of green technologies, manpower development and training, consulting. Organizing discussions, conferences and seminars.
- E. Cooperation with international donor organizations, state and local government bodies, directed to the elaboration and implementation of joint projects on development of green technologies in Armenia.

## **8. Objectives and Primary Steps of Foundation's 5 Key Strategic Directions**

- A. Development proposals on RES technologies, equipment design and manufacturing, installation and mounting.
- B. Development of proposals on EE technologies, energy efficient reconstruction of buildings, improving EE in buildings by application of EE technologies.

The main objectives in these directions are overcoming of environmental, economic and social problems, dissemination of green technologies and increasing efficiency of their application, spreading out of energy saving culture. One of the main objectives is to render services to organizations, individuals and condominiums to replenish the Foundation's resources to be directed towards realization of its statutory objectives.

In the course carrying out activities in these directions, the foundation is guided by:

- Market demand and interests of the beneficiaries,
- Creating a new demand among the beneficiaries by introduction to the technological advantages and demonstrating the justification of investments,
- Active participation in investment and joint projects.

The primary steps in this direction should be:

- Market study,
- Replenishment of the material-technical / logistical base (acquisition of production equipment, rental vehicles, etc.),
- HR development and training,
- Advertising campaign,
- Discussing new opportunities for cooperation with banks and financing mechanisms.

C. Introduction, adaptation, elaboration and application of new technologies in the field of agriculture and environmental protection.

The main purpose is introduction, promotion and increase of efficiency of application of green technologies in the fields of agriculture and environment, mitigation of social and economic problems in rural communities. The main focus should be the provision of various services in this field to rural households to replenish Foundation's resources.

In this direction as well, the foundation is guided by:

- Market demand and interests of the beneficiaries,
- Spreading out of "green technologies" culture in rural communities,
- Creating a new demand, introducing the technological advantages to the beneficiaries, making justified investments,
- Active participation in investment and joint projects,
- Supporting formation of a network of confederate rural communities and rural households.

The primary steps in this direction should be:

- Market study,
- Establishment of a network of partner rural communities and rural households and creation of mechanisms for effective communication,
- Replenishment of the material-technical / logistical base (acquisition of production equipment, rental vehicles, etc.),
- Staff development and training,
- Advertising campaign,
- Establishment of a network of partner organizations.

D. Conducting research in the field of green technologies, manpower development and training, consulting. Organizing discussions, conferences and seminars.

The main objectives are to increase the number of professionals in this field, promulgation of green economies ideology, ensuring access to information on their effectiveness, expanding the partnership framework.

Acting in this direction, the foundation is guided by:

- Priority of acquisition of new knowledge and skills,

- Foundation's demand in recruitment of new professionals/specialists,
- Creating a new demand among the beneficiaries by introduction with the technological advantages in the field,
- Formation of new areas of cooperation with confederate organizations and individuals.

The primary steps in this direction should be:

- Establishment of partnerships with research and educational institutions for implementation of research activities,
- Market study on advisory and training services, preparation of service packages.

E. Cooperation with international donor organizations, state and local government bodies, directed to the elaboration and implementation of joint projects on development of green technologies in Armenia.

The main objectives are to create a network of partner organizations and expansion, formation of favourable state policy for development of the sphere, establishment of exemplary green economic entities (rural communities/farms, condominiums, businesses). Also, one of the main objectives is strengthening of ideological, human and material potential of the Foundation through implementation of new grant projects.

Acting in this direction, the foundation is guided by:

- Bringing PPP principle to the forefront,
- Integration with the international movement and processes in the field,
- Following the principle of being more social and economic oriented in project development and implementation in certain communities.

### **Next Steps**

- Conducting market research/study green technologies in Armenia and presentation of the results to the government, communities and donors;
- Filing at least 2 applications for membership in international organizations (studying in advance the network of international organizations in the field to choose the most appropriate organizations for the Foundation's membership);
- Choice of partner communities or individual entrepreneurs on developing joint proposals for implementation of joint projects.

## Summary/Conclusions

The “Armenian Green Technologies Centre” Foundation contending to be one of the leading organization in the field of green technologies in Armenia, guided by the principles of public usefulness, social responsibility, mutually beneficial partnership and fair competition. It has set a goal to contribute to promulgation of “green technologies” culture, conservation of natural ecosystems and ensure wide public participation in these processes. To solve these problems, the Foundation set a goal, to demonstrate on its own example the effectiveness of application of the green technologies, increase public awareness of green technologies, increase the number of professionals in the field and number of businesses on RES / EE technologies, etc.

Having a legal status of "Foundation", the "Armenian Green Technologies Centre" has adopted a corporate governance model, which includes 3 organizations, which are also the founders of the Foundation.

Since the foundation has set itself the task of national and regional development, hence, in its management system it involved representatives of regional and local government and other systems.

The collected information and its analysis showed that the Foundation operates within the competitive environment formed in the sector. It is a new area for Armenia, and observations show that competition will increase in the coming years and new competitors will appear.

The key strategic direction of "Armenian Green Technologies Centre" Foundation’s activities, are:

1. Development proposals on RES technologies, equipment design and manufacturing, installation and mounting.
2. Energy efficient reconstruction of buildings by application of EE technologies, improving EE in buildings.
3. Introduction, adaptation, elaboration and application of new technologies in the field of agriculture and environmental protection.
4. Conducting research in the field of green technologies, manpower development and training, consulting. Organizing discussions, conferences and seminars.
5. Cooperation with international donor organizations, state and local government bodies, directed to the elaboration and implementation of joint projects on development of green technologies in Armenia.

The Foundation, in order to achieve its mission and objectives should increase its competitive advantages, strengths and use existing opportunities. In particular:

- Enhance professional knowledge and management skills of those responsible for the operation of the Foundation,
- Expand the existing relations and cooperation with professional, international / donor, educational and business organizations and the general public,
- Strengthen teamwork and introduce effective mechanisms, enhance the opportunities provided by the corporate administration modality, increase effectiveness of internal communication,
- Initiate active dialogue with national/state, regional and local authorities, becoming involved in the formulation and implementation of policies to be developed in the field,
- Strengthen the material-technical base of the Foundation for expanding its technical capacities.

For the establishment and effective functioning of the Foundation, it is necessary to eradicate a number of flaws and shortcomings. In particular:

- It is primary development of a business plan and professional market study of the proposed services for each area of activity,
- Overcome the lack of experience in commercial (business) field, by also take advantage of services of invited professional managers/administrators,
- Ensure financial stability necessary for operation of the Foundation, by actively working in public and business fields,
- Taking advantage of existing possibilities, actively advocate and organize an information campaign on opportunities in the sector and provided by the Foundation,
- In order to overcome the low purchasing capacity the population, and based on the data obtained from results of the market study, develop and offer services and technologies appropriate to market demand.