

INDEPENDENT COUNTRY PROGRAMME EVALUATION ARMENIA







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Foreword

It is my pleasure to present the Independent Country Programme Evaluation for the United Nations Development Programme in the Republic of Armenia, the second country-level assessment conducted by the Independent Evaluation Office in the country. The evaluation covered the programme period 2016 to 2019.

The Republic of Armenia has seen an improvement in its socio-economic development indicators in recent years. Poverty and unemployment have diminished since 2016, while life expectancy and educational attainments have both progressed. The country has also witnessed important political changes since the signing of the country programme document with two Parliamentary elections and a Velvet Revolution, which brought renewed promises by the Government to deal with long-standing issues affecting the country's development, including opaque policy making and unsustainable use of natural resources.

The evaluation found that UNDP has effectively supported poverty reduction in the most vulnerable areas of Armenia, promoting agricultural production and tourism development, although the sustainability of some of the institutions created remains uncertain. In the area of democratic governance, UNDP efficiently supported the organization of elections, continued promoting the participation of women in local politics, and effectively finalized a long-term programme to promote the flow of good and individuals between Armenia and Georgia. The work in the area of human rights has, unfortunately, not progressed as expected.

With UNDP's support, Armenia has developed a stronger policy and regulatory framework in the area of environment, disaster risk management, and energy efficiency, and promoted interventions at community level in vulnerable parts of the country.

.....

The evaluation concluded that UNDP continues to have an important role to play in support of Armenia's sustainable development and institutions' strengthening. UNDP adds the most value when it adopts a programmatic and solution-oriented approach, tapping on synergies across its portfolios and using innovative approaches that bring together different stakeholders. Internally, this will require the country office to adopt a stronger results-based and integrated approach around issue-based theories of change.

I would like to thank the Government of the Republic of Armenia, the various national stakeholders, and colleagues at the UNDP Armenia Office for their support throughout the evaluation. I trust this report will be of use to readers seeking to achieve a better understanding of the broad support that UNDP has provided, including what has worked and what has not, and in prompting discussions on how UNDP may be best positioned to contribute to sustainable development in Armenia in the years to come.

Indran A. Naidoo

Director, Independent Evaluation Office

FOREWORD

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Acronyms and Abbreviations

ADA Austrian Development Agency

ATDF Armenian Territorial Development Fund

CDF Community Development Fund
CEC Central Electoral Commission

CEPA Comprehensive and Enhanced Partnership Agreement

CO Country office

CPD Country programme document
CSI Centre for Strategic Initiatives

CSO Civil society organization

DMO Destination Management Organization

DRM Disaster risk management
DRR Disaster risk reduction

EU European Union

GBV Gender-based violence
GCF Green Climate Fund
GDP Gross domestic product
GEF Global Environment Facility
GGF Good Governance Fund

GHG Greenhouse gas

Gesellschaft für Internationale Zusammenarbeit/German Society for International

Cooperation

GTG Gender Theme Group

HCFC Hydrochlorofluorocarbons

IBM Integrated border management

ICPE Independent Country Programme Evaluation
IEO Independent Evaluation Office of UNDP
IOM International Organization for Migration

IT Information technologyM&E Monitoring and evaluationMoA Ministry of Agriculture

MTAI Ministry of Territorial Administration and Infrastructure

NHRAP National Human Rights Action Plan

OECD Organization for Economic Cooperation and Development

OGP Open Governance Partnership
POP Persistent organic pollutant

RBEC Regional Bureau for Europe and the Commonwealth of Independent States

ROAR Results-Oriented Annual Reporting
RRF Resources and Results Framework

ACRONYMS AND ABBREVIATIONS

SCA Statistical Committee of Armenia

SDC Swiss Agency for Development and Cooperation

SDG Sustainable Development Goal

SGP Small Grants Programme

SLFM Sustainable Land and Forest Management

SME Small and medium enterprise

SPPD Strategic Programme of Progressive Development

STEM Science Technology Engineering and Math
TARA Territorial Administration Reform of Armenia

TRM Tourism Resource Management
UNCT United Nations Country Team

UNDAF United Nations Development Assistance Framework

UNDP United Nations Development Programme

UNFPA United Nations Population Fund

UNHCR Office of the United Nations High Commissioner for Refugees

UNICEF United Nations Children's Fund

UNIDO United Nations Industrial Development Organization

WiLD Women in Local Democracy

Evaluation Brief: Armenia

The Republic of Armenia is a landlocked upper middle-income and high-human development country. Since 2016, the country has improved its socio-economic development level, reducing unemployment from 18 percent to 16.3 percent and continually increasing its Human Development Index values. The country's sustainable development, however, is still affected by gender inequalities, rural poverty, over-exploitation of natural capital and reliance on imported hydrocarbons. Following the transition to a Parliamentary system in 2016, Armenia's political landscape has been affected by a high level of instability. Anti-government protests and acts of civil disobedience in the context of the Velvet Revolution led to a peaceful transition of power in May 2018. The new Government has pledged to deal with long-standing problems, including systemic corruption, opaque policymaking, a flawed electoral system, and weak rule of law.

UNDP's Country Programme 2016-2020 – premised on the national Strategic Programme of Prospective Development 2014-2025 – predicated a theory of change by which human development is possible when people participate in decision-making and are empowered to contribute to and share the benefits of economic growth in a sustainable environment. To realize this vision, UNDP defined six goals across four priority areas: 1) inclusive and sustainable economic growth; 2) democratic governance; 3) gender equality; and 4) environment and energy.

Findings and conclusions

Through its inclusive growth and sustainable development portfolio, UNDP supported some of the most vulnerable parts of Armenia. There, it contributed to the promotion of green agricultural production and some small businesses. It promoted community development plans and funds for better ownership of processes. UNDP also contributed to the development of the tourism sector in Armenia, valuably promoting the involvement of private

sector companies. Albeit at a still early phase of implementation, these initiatives have yielded positive results in terms of tourism increase and income for vulnerable populations. The sustainability of the project interventions, however, remains uncertain in some cases. Critical in this respect will be their anchoring to national and local institutions, the financial return of some of the investments made, as well as the support to marketing and extension services.

In the area of democratic governance, UNDP's efficient support to the organization of two Parliamentary elections was widely acknowledged, and the further support in terms of capacity-building of the Central Electoral Commission was considered important for sustainability. UNDP effectively managed large capital investments to develop infrastructure and capacities of border agencies, facilitating the efficient flow of goods and persons from Georgia. The impact of UNDP's work on the reduction of illicit trade could not be ascertained in the absence of data. UNDP promoted citizen participation in decisionmaking, with a focus on youth and women at the local level. Through sustained engagement, UNDP successfully promoted the involvement of women in local councils, with 70 percent of women elected being beneficiaries of UNDP's assistance. UNDP's work to support the promotion of human rights did not progress as expected, mostly because of changes in the political landscape. Planned results in the monitoring and evaluation of the National Human Rights Action Plan, torture prevention, and the establishment of an equality body have not yet fully materialized.

UNDP has been a valued adviser to the Government in the area of environment and energy, working both at the policy and community levels. UNDP's support to national and subnational institutions, combined with the implementation of small-scale projects in disaster-prone communities, contributed to the establishment of a well-developed disaster risk

management system that brings together multiple stakeholders. UNDP contributed to the reduction of energy consumption and associated greenhouse gas emissions from residential buildings, lighting, and electrical appliances. This has been achieved through the creation of an enabling regulatory environment, development of skills and capacity among industry

professionals, and the piloting of new technologies and business models. UNDP has been engaged in the protection of health and the environment by promoting the elimination of persistent organic pollutants and phasing out of hydrochlorofluorocarbons. The transfer of waste to a disposing facility has not taken place due to political challenges.

FIGURE 1: UNDP's expenditure by thematic area



UNDP has proposed itself as a champion for innovation, promoting the involvement of citizens as well as private sector companies in its work. While innovation is becoming a central feature of UNDP's efforts in Armenia, the linkages with its core work have not been ensured, and the sustainability of

newly established structures is yet uncertain. The high level of innovation introduced by the country office reinforces the case for a stronger monitoring and evaluation system, that allows an assessment of effectiveness and impact on people's lives.

Recommendations



- RECOMMENDATION 2. UNDP should support the revitalization of the national committee for the implementation of the Sustainable Development Goals (SDGs) and continue advocating with the Government for the full alignment of national and sectoral policies with the SDGs.
- RECOMMENDATION 3. UNDP should promote a more integrated vision of local development, reinforcing the synergy among its portfolios, following an area- and outcome-based development approach.

- **RECOMMENDATION 4.** In the area of inclusive growth, UNDP should enlarge its support for employment creation and build on good practices to affect impact at a broader scale.
- RECOMMENDATION 5. UNDP should seek ways to strengthen its governance portfolio in support of national institutions, through initiatives on open governance and an improved system of checks and balances in the country.
- RECOMMENDATION 6. UNDP should further support national institutions in the promotion of gender equality and empowerment of women, adopting a comprehensive approach that focuses on addressing structural and root causes behind gender-based violence and what is preventing women and girls from fully enjoying their rights.

- **RECOMMENDATION 7.** UNDP should strengthen its support to human rights to further integrate the 2030 Agenda principles of leaving no one behind.
- RECOMMENDATION 8. UNDP should develop a strategy for its innovation work, to better define its goals and reflect on the sustainability of the structures it has created.
- RECOMMENDATION 9. UNDP should reinforce its monitoring and evaluation system to track progress against well-defined outputs and outcomes and use results to inform regular discussions with the country office's Senior Management.

CHAPTER 1

BACKGROUND AND INTRODUCTION

VELOPMENT effectiveness COORDINATION efficiency PARTNERSHIP sustainability NATIONAL ON stainability MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT responsiveness coordination and partnership sustainability flow relevance sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT as COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MARESULTS effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP sustainal and PARTNERSHIP sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT responsibility MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT responsiveness HUMAN RESPONSIVENESS HUMAN DEVELOPMENT responsiveness HUMAN RESPONS

1.1. Purpose, objectives and scope of the evaluation

The Independent Evaluation Office (IEO) of the United Nations Development Programme (UNDP) conducts Independent Country Programme Evaluations (ICPEs) to capture and demonstrate evaluative evidence of UNDP's contributions to development results at the country level, as well as assess the effectiveness of UNDP's strategy in facilitating and leveraging national efforts for achieving development results. ICPEs are independent evaluations carried out within the overall provisions contained in the UNDP Evaluation Policy.

This ICPE is the second evaluation of UNDP's work in Armenia.¹ It covers the period from 2016 to 2018,² in accordance with the evaluation's terms of reference (see Annex 1 available online). The ICPE assessed the entirety of UNDP's activities in the country, whether funded by core UNDP resources, donor funds, or Government funds. It also considered UNDP's contribution to the United Nations Country Team (UNCT) and assessed UNDP's role as a catalyst and convenor working with other development partners, civil society, and the private sector.

The ICPE was timed to feed into the preparation of the next country programme document (CPD), which will be implemented from 2021. Primary audiences for the evaluation are the UNDP Armenia country office (CO), the Regional Bureau for Europe and the Commonwealth of Independent States (RBEC), the UNDP Executive Board, and the Government of Armenia.

1.2. Evaluation methodology

The ICPE was conducted according to the approved IEO process. During the initial phase, a stakeholder analysis was conducted to identify all relevant stakeholders, including those that may not have

worked with UNDP but had played a key role in the outcomes to which UNDP has contributed.

The ICPE addressed three key evaluation questions:³

- 1. What did the UNDP country programme intend to achieve during the period under review?
- 2. To what extent has the programme achieved (or is likely to achieve) its intended objectives?
- 3. What factors contributed to, or hindered, UNDP's performance and eventually the sustainability of results?

The effectiveness of UNDP's country programme was analysed through an assessment of progress made towards the achievement of the expected outputs, and the extent to which these outputs contributed to the intended CPD outcomes. In this process, both positive and negative, direct and indirect results were considered.

To better understand UNDP's performance and the sustainability of results in the country, the ICPE examined the specific factors that have influenced – both positively or negatively – the country programme. UNDP's capacity to adapt to the changing context and respond to national development needs and priorities was examined.

The evaluation methodology adhered to the United Nations Evaluation Group norms and standards.⁴ In line with UNDP's gender mainstreaming strategy, the evaluation examined the level of gender mainstreaming across the country programme and operations. Gender disaggregated data were collected, where available, and assessed against programme outcomes. To assess gender across the portfolio, the evaluation considered the UNDP gender marker assigned to the different project outputs,⁵ and the IEO's gender results effectiveness scale (GRES).

¹ The first 'Assessment of Development Results: Evaluation of UNDP in Armenia' was conducted in 2014 and covered the years 2005-2013.

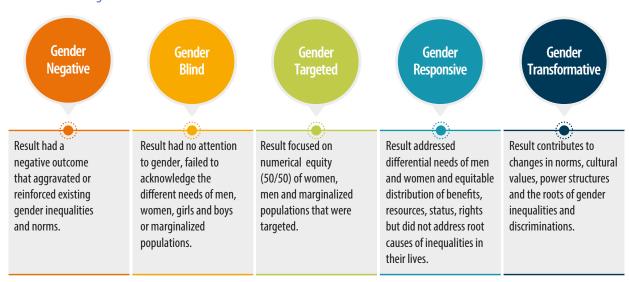
² The report also considered projects that had started in the first six months of 2019, without being able to assess their effectiveness.

³ The ICPEs adopt a streamlined methodology, which differs from the previous Assessments of Development Results that were structured according to the four standard Organization for Economic Cooperation and Development (OECD) Development Assistance Committee criteria.

⁴ http://www.unevaluation.org/document/detail/1914

⁵ A corporate monitoring tool used to assign a rating score to project outputs during their design phase and track planned expenditure towards outputs that may include advances or contributions to achieving gender equality and the empowerment of women. As the gender marker is assigned by project output and not project ID, a project might have several outputs with different gender markers.

FIGURE 1: IEO's gender results effectiveness scale



The evaluation relied on – and then triangulated – information collected from different sources:

- A review of UNDP strategic and programme documents, project documents and monitoring reports, evaluations,⁶ research papers, and other available country-related publications. The main documents consulted by the evaluation team are listed in Annex 6 (available online).
- An analysis of the programme portfolio, and the development of theories of change by programme area to map the projects implemented against the goals set in the CPD.
- Response by the CO to a pre-mission evaluation questionnaire, which was further discussed and validated during the country mission.
- In-person and phone interviews with 120 stakeholders, including UNDP staff, government representatives, UNCT members' representatives, development partners, civil society organizations (CSOs), academia, and beneficiaries. The interviews were used to collect data and assess stakeholders' perceptions of the scope and effectiveness of programme interventions, determine factors affecting performance, and identify the strengths and weaknesses of the UNDP

- programme as a whole. A full list of interviewees is available in Annex 5 (available online).
- Two one-day field visits (to Armavir, Lori, and Tavush provinces) to assess the results of selected initiatives and conduct semi-structured interviews with stakeholders and beneficiaries.

The draft ICPE report was quality assured by two IEO internal reviewers, then submitted to the CO and the RBEC for factual corrections and comments, and finally shared with the Government and other national partners for additional comments.

Evaluation limitations. The limited time and resources available to conduct the evaluation affected the team's capacity to collect primary data and consult data sources that had not already systematized. Most of the research for the evaluation was conducted remotely, with only five days spent in the country (from 27 to 31 May 2019). This influenced the level of consultation with national stakeholders, as well as the number and depth of field visits to interview beneficiaries and directly assess project results.

To address these challenges, the ICPE team conducted a thorough desk review of documents, and extensively used the pre-mission evaluation

 $^{^{6}}$ Eleven decentralized evaluations were conducted in the period under consideration.

questionnaire asking the CO to provide evidence that responded to the evaluation questions. In addition, the team put considerable efforts in planning its visit to Armenia in coordination with the CO, to ensure that key stakeholders (Government, CSOs, donors, and – to a less extent – project beneficiaries) were consulted, and their views heard.

1.3. Country context

The Republic of Armenia is a landlocked country of 2.97 million people, in the southern Caucasus.7 Its per capita gross national income has risen from US\$3,750 in 2016 to \$4,230 in 2018, placing the country in the upper middle-income category.8 The national poverty headcount ratio also diminished from 29.4 (2016) to 23.5 (2018), while unemployment declined from 18 percent to 16.3 percent since 2016, according to the Statistical Committee of Armenia (SCA). Armenia's economy strongly depends on services, which represent more than half (50.7 percent) of the gross domestic product (GDP).9 The information technology (IT) sector has gained particular importance in the last few years, making the country a known hub for software development, industrial computing, and electronics.¹⁰ The private sector (25.29 percent of GDP)11 still suffers from Soviet-era distortions, with the disappearance of mono-industry cities resulting in urban poverty and migration to Yerevan and abroad.¹² The country remains heavily linked to Russia as its main export market and source of foreign direct investment. However, in 2017, Armenia signed a Comprehensive and Enhanced Partnership Agreement (CEPA) with the European Union (EU), and exchanges with the EU currently account for 24.8 percent of total trade. Unlike other countries in the region, Armenia has limited natural resources; agricultural land is fragmented as a result of the 1990s land privatization via vouchers, preventing economies of scale and increased farm productivity.

Armenia is a high human development country, positioned 81 out of 189 countries and territories, and with a Human Development Index value of 0.760 that has been continually increasing from 1990.¹³ Gender inequalities, however, persist in relation to economic power and wealth.¹⁴ While the Constitution and other legal acts¹⁵ secure the principle of equality between sexes, widespread negative gender stereotypes, gender-based violence (GBV) and traditional harmful practices affect the capacity of women to fully enjoy their rights. As women have more significant educational attainments, their gross national income per capita is almost half that of men's (6.358 vs. 12.281). Women are more likely to be unemployed, paid less, and discriminated against in the workplace.¹⁶ The number of women in Parliament has steadily increased over time, but still remains at 24 percent;¹⁷ only 9.5 percent of community council seats are held by women¹⁸.

Armenia is a young democracy, which declared independence in 1991. The political landscape has been recently affected by a high level of instability, following the transition to a Parliamentary system in 2016. Despite a series of civil service reforms,

⁷ Armenia borders Azerbaijan, Georgia, Iran, and Turkey, although borders with Azerbaijan and Turkey remain closed because of the long-standing dispute over Nagorno-Karabakh. Periodic clashes over the border are reported.

⁸ World Bank national accounts data and OECD national accounts data files.

SCA.

¹⁰ According to the Enterprise Incubator Foundation (2017), the IT sector has grown at an average rate of 10 percent, with an increase of 58 percent of exports to the United States, Canada, the EU, and Russia.

¹¹ World Bank.

¹² According to UNFPA, Armenia has an estimated net outflow of 15,000-20,000 people each year, or roughly 0.7 percent of the current population. Source: https://armenia.unfpa.org/en/news/discussion-migration-rate-and-associated-issues-armenia-2016-2017.

 $^{^{13}\,}http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/ARM.pdf$

¹⁴ Armenia was ranked 98th in the World Economic Forum's Global Gender Gap report. The country ranks 35th in the educational attainment area, but 72nd in terms of economic opportunity, 115th in terms of gender equality in politics, and 148th in the area of health and survival.

¹⁵ Law on 'Provision of Equal Rights and Equal Opportunities for Women and Men' (2013) and Law on 'Prevention of Violence within the Family, Protection of Victims of Violence within the Family, and Restoration' (2017).

¹⁶ Female participation in the labour market is 47.9 percent compared to 71.6 percent for men, and their contribution to the public administration sector remains mostly at the administrative level (54 percent vs. 19 percent at management level). According to the Statistical Committee of Armenia, in 2018 women earned 62 percent of men's salary.

¹⁷World Bank, 2018.

 $^{^{18}\} http://hdr.undp.org/sites/all/themes/hdr_theme/country-notes/ARM.pdf$

corruption¹⁹ and inefficiency within administrative structures, due to the low level of salaries and a legacy of Soviet-era practices, have long challenged the country's development. Anti-government protests and acts of civil disobedience in the context of the Velvet Revolution²⁰ led to a peaceful transition of power in May 2018. The new Government has pledged to deal with long-standing problems, including systemic corruption, opaque policymaking, a flawed electoral system, and weak rule of law.

A number of issues prevent the full enjoyment of human rights for all, including lack of accountability for law enforcement abuses, GBV and domestic violence, as well as discrimination against people with disabilities. Both the 2015 Constitutional Reform and the 2018 ratification of the CEPA have aimed to promote more openness and accountability in this area. Freedom House places Armenia in the group of 'partly free' countries, with an aggregate score of 51 out of 100.²¹

Armenia boasts a diversity of landscapes and ecological communities with distinct flora and fauna, including many regionally endemic, relict, and rare species. However, rural poverty, overexploitation of natural capital and limited application of environmentally sound technologies in agriculture and industry have resulted in overgrazing pressures, pollution and chemical contamination, land and water degradation, and damaged ecosystems.²² Armenia depends on imported hydrocarbons, including fuel for transport, and gas for residential and industrial purposes, as well as for one-third of the electricity generation. Low-carbon development and introduction of energy-efficient technologies, including renewables, are recognized as a crucial part of economic reforms.

Geographical peculiarities combined with climate change factors make the country one of the most

prone to natural hazards in the region, with more than 80 percent of the population exposed.²³ The Government has recently put in place a number of measures to prevent and reduce climate- and human-induced risks to the environment, including an updated legal and regulatory framework and institutional structures established to coordinate and implement activities with the participation of civil communities.

1.4. UNDP programme in Armenia

UNDP's CPD 2016-2020 is premised on the national Strategic Programme of Prospective Development (SPPD) 2014-2025, which highlights the need for: a sustainable and inclusive growth; increased capacity of citizens to participate and exercise their rights and responsibilities, as well as of the Government to comply with human rights obligations; and the promotion of environmentally sound technologies and effective natural resources management in accordance with the Sustainable Development Goals (SDGs). UNDP's CPD was also aligned with the United Nations Development Assistance Framework (UNDAF) covering the same period, and the 2014-2017 UNDP Strategic Plan.²⁴ The CPD was adjusted at mid-term (November 2018) to ensure alignment with UNDP's new Strategic Plan 2018-2021.

UNDP's Country Programme Action Plan for 2016-2020 predicated a theory of change by which "human development is possible when people participate in decision-making and are empowered to contribute and share the benefits of economic growth in a sustainable environment". To realize this vision, UNDP then defined six goals (see Box 1) across four priority areas: inclusive and sustainable economic growth; democratic governance; gender equality; and environment and energy.

¹⁹ In 2018, Armenia was ranked 105th (out of 180 countries) in the Corruption Perceptions Index by Transparency International.

²⁰ A poor economy, government inefficiencies, and a Constitutional change advanced to favour the then President's stay in power provoked an intense reaction against the administration. A series of anti-government protests were staged by various political and civil groups from April to May 2018.

²¹ https://freedomhouse.org/report/freedom-world/2019/armenia

²² More than 80 percent of lands are exposed to degradation, including contamination by chemicals and heavy metals. Biodiversity conservation is applied mostly in specially protected areas, which constitute about 10 percent of the territory and 60 percent of biodiversity species.

²³ Global Facility for Disaster Reduction and Recovery.

²⁴ The CPD contributed to outcomes 1,2, 4 and 5 of the Strategic Plan: www.undp.org/content/undp/en/home/librarypage/corporate/Changing_with_the_World_UNDP_Strategic_Plan_2014_17.html

BOX 1. UNDP's vision for sustainable development and an equitable society in Armenia

- · A diversified rural economy
- · Strong innovation and small and medium enterprises sector
- · Open governance
- Effective implementation of human rights legislation and equal opportunities
- An economy founded on 'green' or sustainable principles
- · Preparedness for, and adaptation to, disasters

In the area of *inclusive growth and sustainable development*, UNDP aimed to improve the competitiveness of the economy and enhance livelihoods through the development of agriculture value chains, the establishment of producer groups and cooperatives, and the promotion of tourism opportunities. At the institutional level, UNDP planned to strengthen national capacities to develop and implement policies and practices for employment, as well as to enhance the use of disaggregated data for evidence-based policymaking. In this area, UNDP mobilized \$12.3 million (core and non-core resources) for implementing eight projects.

In the area of *democratic governance*, UNDP aimed to improve transparency and accountability in public decision-making by enhancing civil society's participation in national and local development, as well as implementing anti-corruption measures. The CO planned to be also involved in the protection and promotion of human rights, focusing particularly on the rights of people with disabilities, violations by security officers, and domestic violence. Capacities of government institutions to manage borders were to be further strengthened. Following the Velvet Revolution, UNDP planned to provide support to the electoral management bodies for secure and transparent elections. In this area, UNDP mobilized \$29.2 million for the implementation of 10 projects.²⁵

In the area of *gender equality*, UNDP aimed to support the development of measures to enhance women's participation in decision-making through policy revisions and leadership training for women. It also aimed to promote the collection and dissemination of gender statistics and analysis to inform national strategies and partnerships. Starting from 2018, the CO expanded its portfolio through interventions aimed at promoting women's economic empowerment and gender equality in public administration. In this area, UNDP mobilized \$2.8 million for the implementation of five projects.²⁶

In the area of environment and energy, UNDP committed to supporting the establishment of a regulatory framework to promote renewable energy and energy efficiency, and the implementation of innovative energy practices for green urban development. In the area of disaster risk reduction (DRR) and climate change, the CO aimed to promote the actualization of the national DRR strategy through institutional support and the implementation of adaptation measures national and local levels, including sustainable land management practices in degraded mountain ecosystems. The CO would also work on waste and hazardous substance management, which pose a risk to human health. In this area, UNDP mobilized \$27.2 million for implementing 26 projects.²⁷

²⁵ The resources allocated to the project "Modernization of Bagratashen, Bavra, and Gogavan border control points" constituted 57 percent of the democratic governance portfolio allocation. The list does not include two projects approved in 2019: 'Modern Parliament for Modern Armenia' and 'Rule of Law and SDGs in Armenia Reform Agenda'.

²⁶ An additional \$1.8 million project to support innovative public services for women and youth is in the pipeline.

²⁷ The amount includes the budget of three regional projects (Energy Efficiency Regulatory Framework in EEU, EU4Climate and Enhancing Access to Climate Finance in the ECIS Region), which amount to \$11.49 million.

CHAPTER 2 FINDINGS

EVELOPMENT effectiveness COORDINATION efficiency PARTNERSHIP sustainability NATIONAL Custainability MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT reCOORDINATION HUMAN effectiveness COORDINATION AND PARTNERSHIP sustainability ATION relevance sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT ess COORDINATION efficiency PARTNERSHIP sustainability NATIONAL OWNERSHIP relevance MARESULTS effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP sustainability MANAGING FOR RESULTS responsiveness HUMAN DEVELOPMENT reTINATION HUMAN effectiveness COORDINATION efficiency COORDINATION AND PARTNERSHIP ATION RESULTS responsiveness HUMAN DEVELOPMENT RESULTS RESPONSIVENESS HUMAN DEVELOPMENT RESULTS RESPONSIVENESS HUMAN DEVELOPMENT RESPONSIVENESS HUMAN

2.1. Inclusive growth and sustainable development

CPD Outcome: By 2020, competitiveness is improved and population, including vulnerable groups, have greater access to sustainable economic opportunities

Finding 1: UNDP has contributed to the promotion of green agricultural production and some small businesses in the most vulnerable areas of Armenia. The CO reported some evidence of increased income for the target population, while sustainability might be challenged by the lack of adequate agricultural extension services in the target areas. Efforts are underway to promote a better understanding of what the future job market needs are, particularly for young generations.

UNDP aimed to reduce poverty and improve the competitiveness of the Armenian productive sector by creating diversified, innovative, and sustainable income-generating practices, in full alignment with the SPPD 2014-2025. Through various projects, UNDP focused on the most vulnerable parts of the country, particularly the border communities in Shirak, Lori, and Tavush, where the poverty rate was the highest in 2016.²⁸ Interviewees commented on the important role that UNDP played particularly in Tavush, supporting micro-initiatives and "keeping the villages alive".

In partnership with the EU, the Austrian Development Agency (ADA), and the United Nations Industrial Development Organization (UNIDO), UNDP promoted the development of three value chains: buckwheat; berries; and non-traditional vegetables (such as broccoli, lentils, and asparagus).²⁹ Over 40 producer groups and cooperatives were provided with training as well as seeds, fertilizers, and equipment. UNDP stimulated the production by installing greenhouses, anti-hail nets, and drip irrigation systems. The European Neighbourhood Partnership Agriculture and Rural Development data indicated that over 750 tons of high-value field crops were produced, including 12 tons of non-traditional

vegetables and 1 ton of berries in 2017. More than half of the land had been unused before. The buckwheat production and processing, which was valued as new to the country, experienced some challenges because of price reductions in Russia and limited alternative marketing opportunities explored.

In Tavush, the Russian-funded project on Integrated Support to Rural Development similarly supported the development needs of 45 highly vulnerable borderline communities by providing farmers with agro-production and processing tools. One of the greenhouses established is expected to supply up to a third of the region's vegetable seedling demand, which had previously been purchased from Georgia or Yerevan, thus resulting in diminished damage and transportation costs. The project also established two agricultural collection centres, managed by local community-based organizations, which would provide service to farmers for cold storage and processing of fruits and wheat. According to project monitoring reports, one of the supported foundations had already started a wheat bank through which it subsidized seeds for the community members by using its own resources. As a result of the availability of agricultural machines, the wheat fields in the regions have reportedly doubled. Infrastructure projects were also implemented to promote energy and water efficiency, by installing light-emitting diode (LED) luminaries and building irrigation networks. Still in Tavush, UNDP's project also supported a few non-agriculture businesses (e.g. bakeries and sewing businesses) in response to needs expressed by the local communities and to promote women entrepreneurship in the region. It also renovated seven school canteens then used by the World Food Programme for school feeding.

Overall, according to UNDP Results-Oriented Annual Reports (ROARs), UNDP reached out to twice as many direct beneficiaries and ten times more indirect beneficiaries than planned. However, it remains unclear what criteria and methods were used to assess the extent to which livelihoods have been strengthened. The CO did not always collect information on the effects of enhanced production on income and improved livelihoods. In the case

²⁸ 42.2 percent in Shirak, 29.4 percent in Tavush, and 25.6 percent in Lori. Source: SCA, 2018.

²⁹ In November 2019, UNDP started a new project in partnership with the EU, the ADA, and the Ministry of Economy on green agriculture, with a budget of \$2.1 million.

of the Integrated Support to Rural Development project, the CO estimated that target populations benefited from a 20 percent income increase thanks to additional and/or more efficient production.

The sustainability of projects' interventions is challenged by the lack of adequate agricultural extension services in the target areas. UNDP worked with the Scientific Centre of Vegetable and Industrial Crops of the Ministry of Agriculture (MoA) to advise farmers on crop productions and created a seedling production centre in the region. The partnership with the Armenian Agricultural Development Fund (which provides farmers with consulting services) was not fully explored, and the use of the agriculture and management helpline for the cooperatives and producer groups - which was mentioned in one of the monitoring reports - not pursued further. The project also paid limited attention to the marketing opportunities for the value production created. Interviews revealed that no marketing assistance was provided and that "beneficiaries had to think for themselves".

Starting from 2018, UNDP has supported research to better understand the job market needs and opportunities for Armenian youth. The CO is working on the draft of the 'Right to the future: youth changing in Armenia' report, with the goal of presenting challenges and recommendations to address youth unemployment and social isolation in Armenia. Also, with funding from the Russian Federation, UNDP has started the implementation of the Future Skills and Jobs for Armenia's Rural Youth project, through which emerging job opportunities in rural areas, particularly in the digital sector, would be defined. Both these initiatives are well aligned with the 'Work, Armenia' national programme that the Government launched in May 2019.

Finding 2: UNDP supported the design and implementation of community development plans and funds, promoting inter- and intra-community collaboration and better ownership of processes.

Plans and funds filled an important gap in the provision of community services, sometimes at lower than market rates. The long-term financial sustainability of the funds is yet to be proven, and synergy with local governance processes and systems, particularly in consolidated communities, needs to be further explored.

UNDP promoted the involvement of local communities in the development of needs-based plans through focus group discussions. The focus groups addressed a capacity issue that both UNDP and national stakeholders had identified and communities were enabled to come together and formalize plans to meet their development needs. Since 2015, UNDP supported 40 planning exercises, resulting in the formal adoption of community development plans by Community Councils. According to the CO, in 18 communities the development plans represented the only available planning tool. In the other 22 communities, they were said to have contributed to five-year development plans, although the ICPE did not have the opportunity to explore further the extent to which this has occurred. For all the identified needs, one or two priorities per community were selected for implementation.30

In parallel to the planning exercises, UNDP established Community Development Funds (CDFs) to promote joint use of resources and provide services at more affordable rates.31 To enhance ownership of the funds, communities had to cover up to 20 percent of the estimated resource needs. The ICPE considers that the CDFs represent an interesting model for community cooperation and resource sharing. Their structure³² and their ability to develop three-year strategies and annual development plans are good indicators of institutional sustainability. Their financial sustainability, however, will depend on the profitability of the services provided to local communities and/or the availability of public subventions. Interviews and documents both reported how the limited initial availability of resources was already a challenge during project implementation, affecting the timely delivery of the project, as the communities had to start fund-raising

³⁰ For the remaining unmet needs, the CO reported to have created links with benevolent non-government organizations (NGOs) and diaspora-funded organizations.

³¹ Evidence provided by the CO for one community fund indicated that 75 percent of households received the services at a price lower than the market rate. CDFs also applied social criteria while providing services. Services outside the target communities were offered at market rates to cover operational costs and create revenues.

³² CDFs are managed by Boards of Trustees, including community members, representatives of the regional Government and local NGOs where possible.

with the diaspora or other people from the region. The project did not make any systematic link with agricultural development banks, existing micro-loans opportunities³³ or Government funds such as the Armenian Territorial Development Fund (ATDF),34 which could provide additional resources particularly in the case of infrastructure projects. According to the CO, this reflected the desire by beneficiaries not to take on additional loans with interest rates. Looking ahead, synergies with both participatory budgeting processes and the Municipal Management Information System (MMIS)³⁵ adopted in consolidated communities for the sustainable use of shared resources should be strengthened. The example of the Ayrum CDF, entrusted with the management of the additional assets provided by the ATDF, should be further explored.

Finding 3: UNDP contributed to the development of the tourism sector in Armenia, with a focus on vulnerable areas. The CO worked in collaboration with international and national partners, and valuably promoted the involvement of private sector companies. Albeit at a still early phase of implementation, these initiatives have yielded positive results in the form of increase in tourism and income for vulnerable populations. The institutional sustainability of some of the structures and outputs created remains uncertain, as their transfer to the State Tourism Committee has yet to be agreed.

Tourism development has gained significant traction in international assistance programmes in Armenia in recent years. While not bringing the largest amount of resources,³⁶ UNDP promoted the concertation of efforts in this area. The CO established a cooperation platform (labelled 'the Bridge') with national stakeholders, international organizations, and the private sector for information sharing and the synchronization of respective activities.³⁷ Through the Innovation Challenge Scheme, Bridge network members submitted rural tourism market ideas for

commercial feasibility assessment and the selected few received 60 percent co-financing support. Since 2016, 35 ideas (out of 106 applications) have been implemented, including hiking trails, gastro-yards, a wedding village, and adventure parks.

Besides the initiatives funded through the Innovation Challenge Scheme, UNDP promoted the development of wine and gastro-yards, community-based hotels and guest houses, archaeological routes, as well as the improvement of infrastructure. According to monitoring reports, the projects created 423 jobs (215 of which were for women) and increased the income of beneficiaries by 35 percent on average. The CO reports that, in 2018-2019, over 5,000 tourists visited the gastro-yards and around 3,000 visited the other service locations. In 2019, the Ministry of Economy and the Ministry of Territorial Administration and Infrastructures (MTAI) expressed their readiness to include the community-based hotels into the State budget, and have allocated about \$120,000 to develop 16 additional gastro-yards.³⁸ Gastro-yards have been considered for inclusion in the Law on Tourism, which is under development.

Overall, UNDP promoted the sustainability of the supported initiatives by involving both tour operators and public institutions, including the MTAI, as implementing partner.³⁹ Stakeholders interviewed for the ICPE underlined the importance of the private sector's involvement in including targeted villages in tour routes and providing communities access to a more sustained source of income. The cooperation with the Vine and Wine Foundation and the B&B Association of Armenia allowed for transferring the equipment after the projects' closure and promoted sustainability in terms of continuous capacity-building. In order to build national capacities in this sector, UNDP also supported 40 graduates on international tourism, offering some of them also an

³³ Meetings with representatives of the Fund for Rural Economic Development in Armenia and ACBA banks (for the anti-hail nets) were organized to enhance awareness, but no agreement for cooperatives' members was discussed and institutionalized.

³⁴ The ATDF provides municipalities access to capital investment. The ATDF portfolio includes social investment and local development projects; local economy and infrastructure development project; and seismic safety projects.

³⁵ MMIS is a unified data management and information system developed for local self-government bodies, which offers various online participation mechanisms.

³⁶ The World Bank, the German Corporation for International Development/EU, and the United States Agency for International Development have invested a significant amount of resources in loans and grants to support tourism development in Armenia.

³⁷ Since the launch of the network platform, 60 tourism-related companies applied for the membership.

 $^{^{38}\,}www.e-gov.am/gov decrees/item/32784/?fbclid=lwAR3m3oZA3jiEMWo0ZLF$

³⁹ As the Tourism Committee was created in 2016 (the same year the project started), UNDP decided to work with the MTAI as implementing partner.

internship opportunity within tourism research and development centres in the regions.⁴⁰

The sustainability of some outputs and structures created by the project remains uncertain, mostly due to political changes that led to the elimination of some government agencies and the need for the CO to identify an alternative institutional anchor. The three models for Destination Management Organizations (DMOs) which UNDP presented to the Centre for Strategic Initiatives (CSI) were not used as planned since the Centre was abolished.⁴¹ Also, no agreement has been reached on the transfer and sustainability of the Tourism Resource Management (TRM) platform⁴² which includes extensive data on tourism infrastructure and opportunities across Armenia - and the tourism centres.⁴³ Finally, there is no evidence that the 56 community-level tourism development plans the project created are being used at the local level.44

Finding 4: UNDP supported the first national agricultural census of Armenia, whose data have informed the development of agricultural policies and strategies. Other policy developments in employment and inclusive growth planned in the CPD were not supported, as the programme veered towards the promotion of investments through the simplification of business procedures. There is room for UNDP to further support policy development work in the area of agri-business and rural development at large, by promoting interministerial collaboration across areas of interventions.

In partnership with the Food and Agriculture Organization of the United Nations, UNDP supported the first agricultural census in 2014-2016. The CO worked with the SCA, the MoA, and the MTAI to build

capacity for data collection and analysis and ensure that data would inform public policy. Sex-disaggregated data were reportedly used to inform the 2017-2025 Agriculture Strategy and the farm register. National stakeholders expressed great appreciation for UNDP's support to what has been considered a significant milestone in the development of agricultural statistics. Interviewees, however, confirmed the project evaluation findings on the need to improve the quality and consistency of data, as well as to further promote data use beyond the MoA to inform rural development and social policies. The uptake by academia and research was labelled as 'disappointing'. The creation of an e-platform requested by the MoA did not bring the expected results.⁴⁵

The planned support to the development of national and subnational policies "that generate employment and strengthen livelihoods of the most vulnerable" did not occur, owing to what the CO defined as "limited space for policy influence due to changes in the Government" (ROAR 2017). The ICPE took note of some policy development work that occurred in the framework of the Integrated Support to Rural Development project, which, however, did not lead to expected results. 46

The CPD was revised mid-term to shift the focus away from policies and institutional mechanisms towards investments to promote the business environment. In this context, in 2018 UNDP started a small (\$0.4 million) project to simplify business procedures to attract investments. In partnership with the Business Armenia organization, and applying the simplification model by the United Nations Conference on Trade and Development, the CO uploaded 18 simplified investment procedures to an online portal,⁴⁷ which is

⁴⁰ The interns have also been given the opportunity to work for another UNDP project to research on future job opportunities.

⁴¹ The CO has since presented the DMOs' models to the State Tourism Committee for the integration of the suitable components into the tourism law about DMO, which is in the process of development.

⁴² UNDP compiled valuable information on the state of tourism infrastructures and opportunities through an inventory of all 952 villages, 60 of which were to be selected to implement pilot projects. Information was integrated into a database, including analytical and reporting tools to be used for rural tourism and destination development purposes.

⁴³ The CO reports that negotiations are ongoing with the MTAI, the State Tourism Committee, local self-government bodies and international organizations to support the sustainability of four centres after the project closure.

⁴⁴ In April 2018, the MTAI asked all the Heads of Communities to provide business-oriented tourism development project ideas. Out of the 30 project ideas provided, none was implemented because of a lack of business-oriented vision and/or political changes. Interviews and reports indicated that local communities were not motivated enough, and any further investment would have not brought the desired effects. The project changed its approach.

⁴⁵ With funding from the Government of Japan, the Ministry is now creating a data analytics centre.

⁴⁶ UNDP hired experts to improve the 2015 legislation on producer groups and cooperatives, and to develop a term of reference for the development of an agro-processing strategy, which was then shared with the CSI in 2017. However, neither of these initiatives was brought to fruition.

⁴⁷ http://armenia.eregulations.org/

expected to be transferred to the Ministry of Economy upon the project's completion. The project is expected to contribute to enhanced foreign investments, which have diminished because of the unstable political situation.

The regulatory framework and business support infrastructure in Armenia have improved in recent years, also thanks to the support of the European Bank of Reconstruction and Development and under the aegis of the Small and Medium Entrepreneurship Development National Centre, to whose development UNDP had significantly contributed in the past.⁴⁸ As acknowledged in the 2017 EU-OECD review of small and medium enterprise (SME) policy reforms,⁴⁹ there is still a need for policies and programmes to facilitate Armenian SMEs' participation in global value chains, particularly in the agri-business sector, and strengthen linkages with foreign investors. Interviews by the ICPE indicated the opportunity for UNDP to support the new Government in preparing a comprehensive rural development strategy, which would encompass support to agri-business, SMEs, and the tourism sector, while considering the capacities a stronger vocational educational and training system (particularly apt for 21st-century agriculture) should provide. As a Regional Development Strategy is under formulation, UNDP has another opportunity of exercising its integrator role in support of the Government to promote development efforts that would link economic production, environment, and social considerations.

2.2. Democratic governance



CPD Outcome: By 2020, people's expectations for voice, accountability, transparency, and protection of human rights are met by improved systems of democratic governance

Finding 5: Managing a multi-donor basket fund, UNDP effectively supported the Government in the organization of transparent Parliamentary elections in 2017 and 2018. All stakeholders favourably reported UNDP's neutrality and efficiency. UNDP's long-term support to building the capacity of the electoral management body is important in terms of sustainability, but it requires coordination to build on previous results, as some of the same activities appear in different project documents.

UNDP effectively supported the organization of the first Parliamentary elections in Armenia in 2017, following the 2015 Constitutional referendum, as well as the pre-term Parliamentary elections in December 2018 with an eight-week notice. Managing two multidonor projects,⁵⁰ UNDP organized voter education campaigns, deployed more than 4,000 voter authentication devices, installed 1,500 cameras, and deployed 4,000 trained operators. Stakeholders all agreed that the elections had been well administered and that the technical novelties introduced served the purpose.⁵¹ The same devices were also used for the 2017 Yerevan City Council election, drawing a positive assessment by the Congress of Local and Regional Authorities of the Council of Europe. Both UNDP and the EU noted how the relationship between the two partners has improved since, opening new room for collaboration particularly in the area of governance through twinning projects in support of Parliament's strengthening.

UNDP has promoted the sustainability of its efforts in this area by enhancing the capacity of the Central Electoral Commission (CEC). The CO supported the development of a draft communication strategy and developed a draft Policy to Promote Equal Rights and Equal Opportunities of Women and Men in the Electoral Process. Voter authentication devices were handed over to the CEC, although both interviews and monitoring reports indicated the need for additional technical and professional support for full sustainability. In February 2019, UNDP and the Government of

⁴⁸ IEO, Assessment of Development Results: Armenia, 2014.

⁴⁹ Monitoring SME policy reforms in Armenia, EU4Business and OECD, 2017.

⁵⁰ Donors to the first project included the EU (Euro 3.7 million), the United States Agency for International Development (\$1 million), Germany (Euro 0.6 million) and the United Kingdom (Pound 0.4 million). The Government contributed Euro 0.4 million. Donors to the second project included: the EU (\$1.7 million), Germany (\$0.8 million), the United Kingdom (\$0.6 million). The Government contributed \$0.7 million.

⁵¹ National stakeholders considered the support to election "another proof of every efficient cooperation". The EU praised the efficiency of UNDP's procurement and the "extraordinary effort" by the CO in making transparent elections happen.

Japan signed an agreement for long-term support to modernize the electoral management body's infrastructure and planning processes, reorganize resources and procedures, and improve e-learning. As some activities (e.g. strategic planning and e-learning) were planned by both the multidonor and the Japan-funded projects, it is important that UNDP effectively coordinates the interventions to avoid duplication and tap possible synergies.

Finding 6: UNDP effectively managed significant capital investments for the development of infrastructure and technical capacities of the border agencies, which facilitated the traffic of people and goods across three points between Armenia and Georgia. A fourth control point at the border with Iran is under development. Analytical tools allowed the recording of processing times, which is an important anti-corruption measure. However, since crime statistics have not been collected, the impact of the projects on illicit trade and traffic of people and goods cannot be fully assessed.

UNDP's involvement in integrated border management (IBM) in Armenia dates to 2012. In the current cycle, with funding both from the EU and the Government, UNDP implemented three projects worth \$17.9 million.⁵² UNDP built the border management capacities at three crossing points with Georgia through infrastructure improvement (e.g. x-ray inspection station and basic utilities) and training. The projects helped the drafting of Armenia's IBM strategy in line with EU standards, as well as inter- and intra-agency standard operating procedures.

The simplification of procedures significantly reduced the waiting time for individuals, cars, and commercial trucks. The greatest benefits occurred to individual passengers in Bagratashen and Bavra (with a reduction in waiting by eight and five times, respectively) and for commercial trucks in Bagratashen, where the waiting time has been reduced from 75 to 20 minutes.⁵³ A 2017

customer survey revealed a high level of satisfaction with the services provided at the border.⁵⁴The number of passengers and vehicles increased three times, signalling a larger exchange of people and goods between the countries.

The ICPE could not ascertain whether the projects' implementation resulted in enhanced legitimate trade and transit of goods and people. The project did not collect crime statistics on the basis that an increase in detected crime might have been a function of higher overall crime levels, and thus not attributable to the project. This being true, crime detection statistics would have nonetheless provided a good indicator of the effectiveness of control procedures, with some further analysis adding perspective to the results achieved within a broader picture. The overall collaboration with the International Organization for Migration (IOM) and the Office of the United Nations High Commissioner for Refugees (UNHCR) on the identification and referral of asylum seekers and victims of trafficking is unclear.

In 2017, UNDP started working on modernizing the Mehgri crossing point on the Armenia-Iran border through infrastructure, training, and the development of an IT platform to enhance accountability and transparency.⁵⁵ As of July 2019, UNDP submitted the design package to independent State experts. Delays in the Government's approval and high turnover in border service staff have delayed the project's implementation. As in the case of the other IBM projects, it is unclear how the project will achieve "increased respect towards the realization of human rights and enhanced efficiency of humanitarian relief operations" without dedicated activities and partnership with the IOM and UNHCR.

Finding 7: Within the framework of the EU Human Rights Budget Support, and in partnership with other United Nations agencies, UNDP promoted institutional capacity development to improve the protection of

⁵² Modernization of Bagratashen, Bavra, Gogavan Border (BBGB) Crossing Points (2012-2019); Bagratashe-Sadakhlo Border Crossing Point (2013-2016); and Support to migration and border management in Armenia (2016-2019). In the first project, the Government received loans from the European Investment Bank and grants from the Neighbourhood Investment Facility.

 $^{^{\}rm 53}$ ICPE analysis of data included in the BBGB terminal report.

⁵⁴ On average, 87 percent of the respondents assessed their experience at the border crossing point as positive; 77 percent of them stated that the situation at border crossing points had improved.

⁵⁵ Analytical online tools developed include: (i) software for advanced data exchange with Georgian and Iran custom services, (ii) e-Declarations system for physical persons; (iii) measurement of) processing time for vehicles and cargos at border crossing and (iv) citizens satisfaction with quality of border services.

human rights in Armenia. Work in this area has not progressed as expected, with limited evidence of significant contributions to outcome results, partly because of the changes in the Government which affected the timeliness of the planned activities.

UNDP has coordinated the United Nations support to the Government in the area of human rights, in alignment with the conditions attached to the EU Human Rights Budget Support (worth Euro 15.7 million) and in the framework of the 2017 EU-Armenia CEPA. In mid-2018, the CPD was revised to focus on support to the National Human Rights Action Plan (NHRAP) and include a new component on fair trial and prevention of torture. In partnership with the United Nations Children's Fund (UNICEF) and the United Nations Population Fund (UNFPA), UNDP coordinated the implementation of a joint programme on human rights. In doing so, the CO focused on three of its five components: coordination and M&E for the NHRAP 2017-2019, prevention of torture, and promotion of an anti-discrimination law.56 The project was then expanded to cover the development of the new National Strategy and the NHRAP 2020-2022, which have been approved in December 2019.

Regarding the NHRAP 2017-2019, during the CPD cycle, the goal was enlarged to include the set-up of an M&E system for the NHRAP.57 UNDP provided support through overall coordination of the process and advisory services. The CO's report, published in 2018, provided an assessment of the NHRAP's structure and issue coverage and included recommendations to strengthen the NHRAP monitoring and reporting mechanisms, as well as to enlarge the stakeholders' base for consultation. While UNDP was successful in advocating for closer consultation with CSOs in the development of the new NHRAP and Human Rights Strategy,⁵⁸ the ICPE could not find evidence of the implementation of the M&E system,⁵⁹ and whether the different outputs produced by the projects (including reviews and recommendations) had promoted a higher

degree of implementation of the NHRAP 2017-2019 and international human rights commitments. The recourse to international consultants for the development of strategies and M&E systems also challenges the sustainability of results in this area. Stakeholders interviewed for the ICPE commented on the limited commitment of the previous Government on issues of human rights and noted how both internal controversies and disagreement between the Government and the donors affected the effectiveness of the work in this area. However, all agreed that, without UNDP, the Government would not have made much progress in implementing the EU Direct Budget support conditionalities, which were considered very ambitious.

In the area of torture prevention, the project did not progress as expected, and stakeholders interviewed for the evaluation welcomed the change among national interlocutors, which helped to move the project forward. UNDP produced guidance on the investigation of torture cases to be included in the training of judges, prosecutors, and investigators. UNDP submitted to the Ministry of Justice and the National Police a package of proposed amendments to regulate the audio-visual recordings of police interviews, which was approved in December 2019. The EU continued to express "concern with regard to the continuing practice of ill-treatment and torture, particularly in police custody, as well as with regard to mechanisms for accountability and opportunities for civic oversight of closed facilities".60

In the third component, UNDP aimed to support the establishment of an equality body and promote a conducive environment for the adoption and implementation of a new anti-discrimination law ensuring equality, which was sent to the Government for approval in December 2019. UNDP's work in this area – including on communication and awareness-raising campaigns – was slowed down because of the highly sensitive nature of the topic and political changes in the country.

⁵⁶ UNFPA worked on GBV, and UNICEF on children rights. Stakeholders interviewed for the ICPE characterized the implementation of the project as fragmented around specific areas of interventions and defined the partnership among United Nations agencies as more financial than substantial.

⁵⁷ The CPD's indicators were revised at mid-term to measure the extent to which national institutions have the capacity to support and monitor (rather than only support) the fulfilment of the NHRAP and the related international human rights commitments.

⁵⁸ Around 10 public discussions were held with the participation of relevant CSOs, half of these organized with the support of UNDP.

⁵⁹ The Ministry of Justice indicates that an electronic platform is being established.

⁶⁰ Partnership Implementation Report on Armenia, European Commission High Representative of the Union for Foreign Affairs and Security Policy, May 2019.

Finding 8: In the area of support to people with disabilities, UNDP promoted a multidisciplinary assessment model in line with international conventions and supported a concerted approach including different line Ministries. Work in this area has been slowed down by the revolution and changes in the Government's structure, requiring time for reprioritization.

UNDP partnered with UNICEF, UNFPA, UNIDO (in the first phase), and the World Health Organization to promote a multidisciplinary and transparent model to assess disabilities in line with the United Nations Convention on the Rights of People with Disabilities. During the first phase of the project (2014-2017), UNDP promoted awareness of the new model, by training some 150 personnel representatives of 86 percent of primary health care institutions, as well as social workers, occupational therapists, and professionals of the Medical Social Expertise Commissions (MSECs). The model was piloted in three regions, reaching 1,300 people with disabilities, with the involvement of representatives of disabled persons' organizations. UNDP and its partners reviewed the Government's decrees and the Ministry's orders, as well as the Draft Law on Protection of Rights and Social Inclusions of Persons with Disabilities, to also ensure integration of gender and age specificity.

Changes in the national institutional and political landscape severely affected the effectiveness of UNDP's work in this area. Both phases of the project (including the second one from 2017 to 2019) were first delayed by a change in the Government apparatus and line Ministries in 2016, which led to a restructuring of the disability certification system and the dissolution of the MSECs, and then a change in the Government. The project has since developed a white paper on reforms and policy changes needed across various sectors (e.g. education, employment, social, infrastructure), which is with the Prime Minister's Office for clearance. UNDP is also supporting the creation of a new Commission (including the Ministry of Health, Labour, and Education) and the development of a monitoring mechanism for service delivery for people with disabilities, although problems with data sharing by some Ministries were reported. The CO expects the introduction of the new system to be part of the improved integrated social services system operational as of 2020.

Outside of the projects' realm, UNDP developed an app to map accessible places for people with physical disabilities. However, the app, developed by Kolba Lab, was not advertised with the stakeholders included in the Ministry of Labour's database. As in other cases, synergies between technological innovations and other technical areas were not adequately exploited to promote integrated results (see Finding 20).

This is an area of increased interest for donors and will require much more sustained engagement of United Nations partners around a national platform. UNDP can play a very important role in promoting the principle of leaving no one behind.

Finding 9: Through the Women in Local Democracy (WiLD) 2 project and innovation labs, UNDP encouraged youth's interest in public affairs and promoted citizens' engagement and participation in decision-making. While youth benefited from important opportunities to shape national and local strategies, other tools to improve citizens feedback on the provision of services have been less effective due to the novelty of the tools proposed, which require trust of the population in their utility, and limited openness by local administrations.

Starting from 2015, UNDP initiated youth camps on community leadership - with funding from the UNDP's Scaling up Fund first and the Swiss Agency for Development and Cooperation (SDC) later - with the goal of fostering leadership models and citizen participation in local decision-making. Youth participated in camps in the regions, learning about participatory democracy, gender equality, as well as crowdfunding and the development of action plans that responded to community needs. Participants interviewed for the ICPE lauded the practical nature of the training and while acknowledging that not all participants then used the skills to promote change at the community level appreciated the possibility of engaging with youth with a different level of experience. Engaged youth were then involved in the national Youth Club on Policy Dialogue, which has - since its creation - developed recommendations to inform the Territorial Administration Reform of Armenia (TARA) and contributed to the CSO-Parliament platform now supported by the Swedish International Development Agency and OxYGen Foundation.

The WiLD project promoted for some time the participation of citizens in local decision-making through an SMS polling tool. Citizen response was, however, quite low (23 percent), mostly due to a lack of a culture of engagement and limited trust towards local municipalities. 61 The MTAI expanded the use of the tool as part of its Open Governance Partnership (OGP) National Action Plan 2014-2016 although to a limited extent,62 and SMS have not been included in following action plans. At the time of the ICPE, UNDP indicated that only eight municipalities were using the SMS tool, and with mixed results, also because of the municipalities' resistance to systematically apply the tool in case of citizens' dissatisfaction. UNDP has planned to expand its work in this area through the new SDC-funded project (which started in July 2019) to advance participation at the local level through participatory budgeting processes.

At the national level, UNDP's Kolba Lab supported the Government in advancing the open governance agenda through various initiatives that included crowdsourcing competitions to gather ideas to improve the quality of service delivery, as well as social innovation camps. UNDP's support to the development of an online feedback platform to evaluate and inform the design of public services was included in the OGP Action Plan 2018-2020. UNDP also supported the conduct of assessment studies to collect citizens' satisfaction with community services ahead of the implementation of the capital investment plan by ATDF, although this appears more as a one-off service to MTAI, not linked to the overall implementation of the OGP Plan.

Finding 10: UNDP's work in the area of governance partly responded to the needs articulated in the SPPD. No reform of the public administration system for enhanced efficiency, accountability and transparency was planned; and support to anti-corruption strategies was cancelled. Starting from 2018, UNDP has expanded its work in this area by supporting a review of the civil service system and planning a large project in support of Parliament's capacity-building.

Both the UNDAF and the CPD only partly responded to the national development goals of a more efficient, modern, and transparent bureaucracy for service delivery. The CPD did not include any intervention aimed at reforming the central public administration system, developing the civil service, and improving access to justice, all of which had been included in Chapter X of the 2014-2025 SPPD. While a few interviewees considered UNDP's decision to work only on a few areas (such as border management and later elections) as driven by strategic considerations and funding availability, others defined it as 'an omission' and 'a glaring gap'.

As Armenia transitioned to a Parliamentary system in December 2015, UNDP decided not to immediately support the Parliament, which was still considered an arm of the Government with no real separation of powers. Following the Velvet Revolution, however, UNDP has enhanced its support in civil service reform by reviewing six by-laws regulating the recruitment and performance appraisal system. A \$4 million multidonor initiative in support of Parliament Reform also started, with 82 percent of funding committed as of November 2019.⁶³

Work in the area of anti-corruption, which had originally been included in the CPD, was not implemented as planned and the CPD output was ultimately removed because of lack of projects. UNDP provided good international practices and peer reviewed the anti-corruption strategy, but its support in this area was far less significant than in previous years.⁶⁴

2.3. Gender equality

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CPD Outcome: By 2020, Armenia has achieved greater progress in reducing gender inequality and GBV and in promoting women's empowerment



⁶¹ The CO could only rely on direct mobilization in the community, for private companies do not provide mobile data which are considered as personal information.

⁶² According to the Government self-assessment report, micro-surveys had been carried out only in four out of the ten communities. Source: Independent Reporting Mechanism Progress Report 2014-2015.

⁶³ \$2.1 million from Sweden (Ministry of Foreign Affairs and International Development Agency) and \$2 million from the United Kingdom Good Governance Fund. The Government will provide in-kind contributions.

⁶⁴ Transparency International also expressed concern about the development process of the draft document, which was considered nontransparent and insufficiently participatory.

Finding 11: While the participation of women in politics remains low, UNDP effectively helped a number of female project beneficiaries to get a seat in local councils. The potential of women's networks as a driver of change has not been fully tapped. UNDP's advocacy for changes in the policy and legal framework for gender equality in politics has not yet produced the expected results.

UNDP has promoted women's participation in local decision-making since 2012, in partnership with the MTAI.65 UNDP successfully increased the number of women running for elections and winning a seat in local councils and contributed to capacity development of women from 170 communities in four regions for more effective leadership and decision-making roles. Ahead of the 2017 elections, the CO provided support to two-thirds of the women candidates in local elections (25 out of 36), 17 of whom succeeded. Women's success rate was higher for WiLD project beneficiaries than for other women (68 percent vs. 55 percent).66 The result was in line with the success registered in 2015-2016, when 70 percent of the 93 elected females were project beneficiaries.⁶⁷ Elected women interviewed for the ICPE expressed appreciation for the confidence the training gave them to be community role models, and noted an increase in grassroots initiatives following the augmented presence of women in local councils. UNDP's contribution in this area was well acknowledged by donors and partners alike, who stressed UNDP's comparative advantage and quality of support.

Yet, the women acknowledged the persistent bias and discrimination against them. The number of women in local politics remains very low due to several concomitant factors: limited encouragement by political parties; economic factors; cultural resistance and pre-assigned roles in the society for men and women; and lack of a support network. Based on a recommendation

made by the 2018 SDC evaluation,⁶⁸ UNDP is working to transform the women's networks into more formal groups to enhance their influence on decision-making.

UNDP's support to integrate gender in the TARA and community clustering frameworks increased the awareness of key Ministries on gender issues.⁶⁹ Yet, UNDP's advocacy for a gender quota in the local electoral code – to reflect the requirement already existing for the National Assembly⁷⁰ and three cities – has not resulted in an agreement.⁷¹ In addition, despite UNDP's advice, the TARA reform actually diminished the representation of women in consolidated communities.⁷² To promote gender-sensitive programming and service delivery, UNDP trained local government representatives on ways of mainstreaming gender in five-year community development plans and annual work plans. It is unclear what results the training has produced.

Finding 12: UNDP's gender portfolio has increased in terms of financial resources and number of projects to include initiatives targeting women's economic empowerment and women's participation at all levels of the public administration system. Through the Joint Programme on Human Rights, UNDP and UNFPA developed institutional capacity in the area of GBV to fight a culture of impunity, although much remains to be done. The growth of the gender portfolio requires careful coordination of activities by different projects to benefit from synergies and avoid duplication.

In the current CPD cycle, UNDP gender work has expanded more than 12 times in terms of resources, to include a larger portfolio on women's political empowerment and dedicated interventions in the area of women's economic empowerment and gender in the public administration (see Figure 2). In 2018 UNDP started implementing two projects on women's political empowerment (one funded by the United

⁶⁵ UNDP implemented two phases of the SDC-funded WiLD project 2 (2014-2017 and 2017-2018), the second of which framed within the broader programme for the improvement of local self-governance by SDC, World Bank, Council of Europe, USAID, and GIZ. In July 2019, a third phase of the project was approved, with a six-fold increase in funding to UNDP to promote women's participation in local politics through female-led committees and foster citizen-driven public services in consolidated communities.

⁶⁶ WiLD 2 Phase 2 monitoring action and standard progress report, June 2017-March 2019.

⁶⁷ WiLD 2 Phase 2 project document.

 $^{^{68}}$ Improvement of the Local Governance System of Armenia, SDC, April 2018.

⁶⁹ Improvement of the local self-governance programme in Armenia, Swiss Cooperation Office, 2016.

⁷⁰ Formally approved in 2016 and valid from 2022.

⁷¹ The CO reports that a local quota is being discussed in the context of the amendments to the Electoral Code.

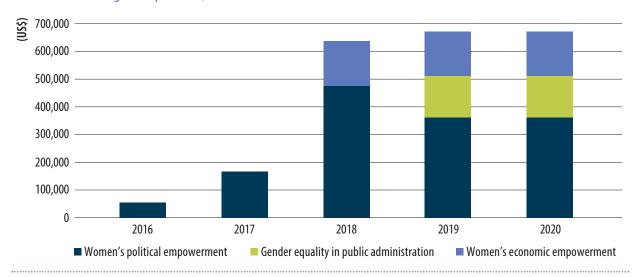
⁷² As women tend to have a larger saying in more local councils, where they are better known by the community members.

Kingdom Good Governance Fund (GGF) and the other by the SDC) to continue work by the WiLD project and promote further dialogue with political parties and other decision-making authorities. Together with UN Women, UNDP started an SDC-funded regional project on women's economic empowerment to ease the participation of women in the job market through both policy and ground-level work, and a small (\$0.3 million) project funded by UNDP and implemented in partnership with the Prime Minister's Office to mainstream gender in the civil service and promote women's role in higher levels of public administration. Stakeholders signalled that the current extension of work was also a reflection of UNDP's good results with the WiLD project in the past.

In the framework of the Joint Human Rights project,⁷³ UNDP and UNFPA supported the development of

several by-laws and regulations foreseen by the 2017 Law on the Prevention of Violence Within the Family, Protection of Victims of Violence Within the Family, and Restoration of Peace in the Family. A series of training on gender equality and GBV were organized for 400 police officers, and the capacities of the Human Rights Defender Office were built, in partnership with the Stop Violence Against Women coalition. UNDP and UNFPA could not work on the development of a separate referral mechanism for victims of violence, which the 2017 Law does not recognize and for which a change in the legal framework is now being considered. As Armenia is yet to ratify the Istanbul Convention signed in January 2018, it is important that UNDP continues to work with the Government, United Nations partners and the Council of Europe to protect the rights of women against violence as part of a broader package of reforms for gender equality.

FIGURE 2: UNDP's gender portfolio, 2016-2020⁷⁴



The increased resources to the gender portfolio undoubtedly represent an opportunity to expand on previous work and upscale successful approaches at the country level. The approval of the Women in Politics project, for instance, was said to allow the CO to expand its research on women's participation in local politics,

as the one conducted in the framework of the WiLD project had been limited in scale by financial resources. At the same time, the growth of UNDP's portfolio calls for stronger coordination of efforts, particularly between projects implemented through different portfolios. For example, the Women's Economic Empowerment

⁷³ The joint human rights projects cut across outcomes 2 and 3 of the CPD.

⁷⁴ ICPE analysis of ATLAS data. Figure 2 was created by dividing the project budgets equally for the period the project covered and does not include the new SDC-funded project on women and youth for inclusive local development, which started in July 2019 and for which the ICPE did not have budget information. It should be however noted that not all WILD project resources were allocated to promote women's empowerment and gender equality (as part of the projects focused on youth empowerment and service delivery to the MTAI), and some of the activities under other portfolios (e.g. the Joint Programme on Human Rights) directly contributed to gender goals.

project document included both activities related to gender-sensitive local planning and budgeting to address women's socio-economic concerns, which are also covered by the new UNDP-SDC project and the German Society for International Cooperation (GIZ), as well as training for government employees on gender equality and women's empowerment, which will need to be coordinated with the Gender in Public Administration project. Furthermore, as the GGF and the SDC projects carry out identical work in different areas (with the SDC working in consolidated communities), it is very important that UNDP puts in place mechanisms to ensure coordination and promote synergies and cost-efficiency, including through joint activities.

Finding 13: UNDP has contributed to integrating gender in the electoral code but fell short of supporting other gender-sensitive policy formulation at the national level, including through the use of disaggregated data for policymaking. The absence of a dedicated and strong national women's machinery affected the ability of UNDP to provide more strategic support in the area of gender equality and empowerment of women.

UNDP did not work as planned to promote evidence-informed national strategies and partnerships to advance gender equality and women's empowerment, because of resource mobilization issues. The role the CO played as chair of the United Nations Gender Theme Group (GTG) was appreciated, but collective efforts did not bring the expected results. The national Gender Action Plan, which UNDP and the other members of the GTG contributed to drafting, has been pending since 2015. The CO admitted slow progress because of a lack of national leadership, coordination, and resources.75 Interviewees also commented on the challenging political environment of previous years, where most progress was up to individuals' goodwill, and indicated that the change in Government may be more favourable for the promotion of gender equality and empowerment of women.

The ICPE considers that, with the approval of new projects and the renewed political commitment to gender equality, UNDP is in a position to lead the international support in this area. The approach the CO is adopting to increase women's political participation at the local level (i.e. advocating for changes that are not only related to local electoral code and law on political parties but also reforming the social assistance incentives)⁷⁶ should be continuously pursued and expanded to remove barriers to the participation of women in economic and political life.

2.4. Environment and energy

CPD Outcome: By 2020, sustainable development principles and good practices for environmental sustainability, resilience building, climate change adaptation and mitigation, and green economy are introduced and applied

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Finding 14: Sustainable management of natural resources has been one of the key directions of UNDP's work. The CO has been a valued adviser to the Government, and it supported authorities in strengthening environmental, legal, policy and institutional frameworks, as well as raising public awareness about environmental issues and related international conventions. There is space for the CO to better ensure that the instruments and innovative practices introduced are continuously applied and scaled up, as relevant.

UNDP has played an important role as technical adviser to the Ministry of Environment in the area of natural resource management and climate change. The CO supported the Government's reporting to the United Nations Framework Convention on Climate Change (UNFCCC) on mitigation measures and their outcomes, based on updated information in the greenhouse

⁷⁵ Armenia did not have a functioning women's machinery, as the Council on Equal Rights and Opportunities of Women and Men has been inactive since 2016 and the Department of Gender within the Ministry of Labour and Social Affairs – the official focal point on gender within the Government – had a limited focus on social protection issues. In the period September-November 2019, the Government adopted the 2019-2023 gender policy implementation strategy and action plan and established the Women's Council.

⁷⁶ The recommendation to focus both on political and economic factors affecting the ability of women to participate in public life had already been made by the SDC mid-term review of the WiLD project in 2016.

gas (GHG) inventory. Under the UNFCCC framework, UNDP has also supported the publication of a range of reports, updating relevant data and promoting transparency and accountability. In 2019, UNDP started two additional projects, funded by the Green Climate Fund (GCF) and the EU, to support climate change adaptation measures and monitoring.⁷⁷

UNDP has significantly contributed to the promotion of sustainable land and forest management (SLFM) practices, to secure the continued flow of multiple ecosystem services. This area, the CO contributed to the restoration of mountain forests, farmlands, and pastures, including through the development of pasture management plans, afforestation initiatives, and the rehabilitation of roads. However, different figures reported in documents and interviews have made it difficult to estimate the overall outcomes in terms of number of hectares restored. UNDP also promoted alternative energy sources and income-generating schemes for forest-dependent communities (e.g. briquetting of hay or efficient stoves) to reduce the forest land-use pressure.

At the institutional level, UNDP supported forest enterprises in the development of sustainable management plans, four of which have already been completed and are awaiting approval by the Ministry.⁸⁰ Building on the ongoing work, the development of management plans for the remaining forestry enterprises – including for those six that UNDP was expected to complete by 2019 but could not because of disruptions caused by the Velvet Revolution – will be supported by the State budget.⁸¹ UNDP also provided some forest enterprises with additional resources and equipment to cover gaps in their budgets.⁸² Further, support to national authorities included the

establishment of a system for carbon stock inventory and monitoring of soil and vegetation, which was piloted in two regions.

UNDP has played a major role in promoting environmental education, focusing primarily on training civil and community servants, which is expected to improve the decision-making process in the public sector.⁸³ The CO has also contributed to raising general public awareness through activities with community organizations and the media, the introduction of a sustainable development training in the education system, and the promotion of a national strategy for ecological education. Work in this area has contributed not only to a general rise in the level of awareness around sustainable development issues in the country, but also to bringing together a range of institutions and stakeholders in an institutional environment which is extremely fragmented and lacking coordination.

Stakeholders interviewed for the ICPE, however, noted persistent levels of inefficiencies and limited capacity, particularly in the forestry sector with persistently high levels of illegal logging for heating. Making communities understand the value of nature remains a challenge. UNDP has promoted sustainability by working on the development of plans and strategies, as well as by requiring contributions from the recipient communities as co-financing to enhance ownership and introducing innovative revolving funds. The challenge in this area will be to ensure that the developed instruments get adopted and are applied in practice, and that relevant institutions (such as the Civil Service Office, MTAI, Ministry of Education, Science, Culture, and Sport, the Public Administration Academy, self-governing bodies at the subnational level) continue training and awareness activities.

⁷⁷ The GCF project aims to support the integration of climate change adaptation measures into national, sectoral and local government planning and budgeting, targeting priority sectors such as water resources, agriculture, energy, health, tourism and human settlements. The project funded by the EU is instead focused on the implementation and update of nationally determined contributions to the Paris Agreement and the introduction of robust domestic emissions monitoring, reporting and verification frameworks.

⁷⁸ UNDP has implemented three projects, for a total value of \$3.2 million: Catalysing Financial Sustainability of Protected Areas; Sustainable Management of Pastures and Forests; and Sustainable Land and Forest Management.

⁷⁹ The 2018 CPD mid-term review indicated 900 ha of mountain forests, 7,000 ha of farmlands, and 170 ha of pastures. Interviewees indicated that the restored areas were about 5,000 ha for forests and 147 ha for pastures.

⁸⁰ These plans will provide a comprehensive picture of the forestry sector and will lay out priority actions for the coming decade.

⁸¹ There are 19 forestry enterprises in the country. Apart from the 10 supported by UNDP, one forestry enterprise is being supported by GIZ for the development of its sustainable management plan. The remaining eight management plans are expected to be developed autonomously by the authorities relying on State budget resources.

⁸² Resources were allocated to cover running costs, payment of adequate salaries, maintenance of basic physical infrastructure, carrying out essential management and operational functions, as well as covering scientific research costs, ranger programmes and monitoring activities.

⁸³ Civil servants are state employees of central-level organizations and their training is a responsibility of the Civil Service Office. Community servants are state employees of subnational level self-governing bodies and their training is a responsibility of the Ministry of Territorial Administration and Development.

Finding 15: With UNDP's assistance, the Government has elevated disaster risk management (DRM) as a key priority. The CO's support to national and subnational institutions and instruments, combined with the implementation of small-scale projects in disaster-prone communities, contributed to the establishment of a well-developed DRR/DRM system, underpinned by effective coordination among relevant stakeholders.

With engagement dating back to 1997, UNDP has been the country's main international partner in the area of DRR. Through its consistent support, DRR has become a major area of focus for the Government and was included alongside other national priorities in the Government Programme 2017-2022. UNDP has also promoted Parliamentary hearings on DRR, which culminated in a Parliamentary Resolution by the Standing Committee on Defence and Security of the National Assembly.

UNDP supported the formulation of the DRM National Strategy and Action Plan (2017-2021), as well as the development of an electronic tool for the M&E of the national strategy and the implementation of the Sendai Framework for DRR.⁸⁴ Support has been provided to the DRR National Platform, which UNDP had helped establish, and the creation of a network of regional crisis management centres under the Ministry of Emergency Situations. With EU funding, UNDP has established three Youth Innovation Centres which have incentivized young peopleto use technology (e.g. aerial photography and GIS mapping) for risk identification.⁸⁵ In 2019, a broad partnership was agreed within the DRR National Platform for further replication of Youth Centres.

UNDP has also been supporting the authorities in strengthening policies and legislation for the prevention of wildfires, as well as in establishing an early warning system under the auspices of an Inter-Governmental Task Force coordinated by the Ministry of Emergency Situations. This has resulted in the establishment of a forest fire information system,

whose approval from the Government is pending. UNDP has also sought to harness its innovation facilities in finding solutions to wildfire-related problems, developing a tool used to model the distribution of wildfires. In addition, the project supported alternative entrepreneurship innovations (i.e. promotion of briquetting facilities) for the prevention and mitigation of wildfire risks. The support to the establishment of modern meteorological stations was, however, delayed by a prolonged tender process to allow the identification of technical specifications for automatic weather stations in line with international standards.

At the subnational level, UNDP conducted surveys and community baseline studies to measure the household perception of climate-change-related risks in rural communities, using a local-level risk management methodology.86 It also trained farmers on identifying and managing climate-change-related risks in two regions. UNDP sponsored small-scale demonstration projects, including the installation of anti-hail nets and drip irrigation, cleaning of drainage systems and mudflow channels, construction of gabion for riverbank protection, and cleaning roads from falling rocks. UNDP has also supported national partners (such as the Ministry of Emergency Situations, Crisis Management State Academy, National DRR Platform) in increasing awareness on DRR by conducting public information campaigns. Early warning systems were established in rural and urban communities, and 10 emergency call and crisis management centres were set up. DRR measures have been also integrated into the local budgets of several communities.87

Finding 16: UNDP contributed to the reduction of energy consumption and associated GHG emissions from residential buildings, lighting, and electrical appliances. This has been achieved through the creation of an enabling regulatory environment, development of skills and capacity among industry professionals, and the piloting of new technologies and business models.

⁸⁴ A capacity assessment for disaster risk management system was conducted in cooperation with the Ministry of Emergency Situations, UNDP and World Bank by using priority directions of the Sendai Framework for DRR as a toolkit.

⁸⁵ More than 50 youth were trained, with six of them receiving further training and certification on unmanned aircraft systems.

⁸⁶ This methodology is used with the direct participation of communities and serves as a tool for community risk identification and management and the issues of the 'Community Risk Certificate'. It considers community risks and development processes as closely interconnected. The methodology was formally adopted by the Ministry of Emergency Situations as an obligatory toolkit for community-based risk-informed development.

⁸⁷ UNDP's support to the Making Cities Resilient global campaign, integrating resilience action plans into five-year community development plans, has now expanded to 25 cities.

UNDP has supported energy efficiency measures in the municipal lighting sector, through the installation of 60.6 km of LED modern energy-efficient lighting systems in 17 cities. These measures reportedly led to annual energy savings of more than \$170,00088 and indirect GHG emission reductions of 84.143 tons of CO2. As with the SLFM projects, revolving funds were established for municipalities to use savings from efficiency improvements, which led to co-financing of infrastructure and other local-level projects. UNDP has also piloted passive solar greenhouses'89 to demonstrate the advantages of alternative greenhouses for year-round cultivation of high-value crops in vulnerable communities, and solar panels have been installed in kindergartens in 10 rural communities. At the policy level, UNDP has contributed to the development of a number of energy efficiency standards regulations and laws, related to lighting, household appliances, engineering equipment of buildings, building codes, minimum energy performance requirements in public procurement, and technical regulations of the Eurasian Customs Union on Energy Efficiency.

Building on a previous project financed by the Global Environment Facility (GEF),⁹⁰ UNDP has initiated a new partnership with the Municipality of Yerevan aimed at improving energy efficiency in residential buildings.⁹¹ This initiative is ground-breaking not only in terms of what it seeks to achieve – transforming the way in which energy efficiency improvements in the residential sector are financed and implemented – but also in how it has forged a partnership with the GCF, which has provided \$20 million for technical assistance, and the European Investment Bank (EIB) which is providing a loan package of \$100 million.⁹²

Finding 17: UNDP has been engaged in the protection of health and the environment by promoting the elimination of persistent organic pollutants (POPs) and phasing out hydrochlorofluorocarbons (HCFCs) in the refrigeration and air conditioning servicing

sectors. While legal and institutional foundations for the elimination of POPs have been laid, the actual transfer of waste to a disposing facility has not taken place due to political challenges.

UNDP has been active in this area since 2015, through the GEF-funded project on elimination of obsolete pesticide stockpiles and addressing POPs contaminated sites within a sound chemicals management framework in Armenia. UNDP's engagement helped to strengthen the country's institutional and regulatory capacity for removal of high-priority POPs pesticides and the subsequent restoration of affected sites. UNDP has also supported the feasibility assessment and design for the elimination of around 5,000 tons of obsolete pesticides and contaminated land at Nubarashen site. However, progress on the actual removal of pesticides from the site has been long pending, first because of delays in the Government's decision on the location of the storage and then a lack of agreement on how to transport the waste to a processing facility abroad.93

UNDP has also assisted the Government in meeting international obligations under the Montreal Protocol on the gradual phase-out of HCFCs in the refrigeration and air conditioning servicing sectors. UNDP has strengthened national capacity in the management of HCFCs through the promotion in the local market of modern air-conditioning technologies with less dependence on HCFCs as cooling agents. UNDP has also supplied, and provided training on the use of, refrigerant recovery and recycling equipment to local servicing companies. Further, three vocational schools have been equipped with multimedia training and practical tools to be included in the curriculum, and four customs entry points have been equipped with advanced multi-gas analysers which enables them to control and prevent the illegal trade of refrigerants. It will be important for the CO to further assess at the end of the project the level of

⁸⁸ Savings were substantial primarily in the Yerevan municipality, and less so in the other municipalities.

⁸⁹ Passive solar greenhouses represent a sustainable agricultural technology through an environmentally friendly construction, relying exclusively on solar energy and without significant technological risks or negative ecological impact. Passive solar greenhouses may become a new greenhouse model that will enable the greenhouse industry to flourish in mountainous regions, increasing food security, while ensuring low operational costs in the long run.

⁹⁰ In the framework of the Improving Energy Efficiency in Buildings project (2010-2016), UNDP tested new insulation technology in a 10-storey apartment building in the city, which resulted in over 60 percent energy savings.

⁹¹ The project's name is De-risking Investment in Energy Efficient Retrofits.

⁹² The partnership with the EIB builds on a previous successful joint initiative on integrated border management.

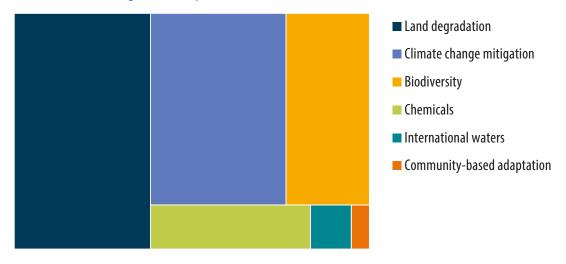
⁹³ Discussions are ongoing with neighbouring countries to allow for the transit of waste to a third country.

HCFC reduction as a result of these activities, and to ensure that momentum in this area is maintained.

Finding 18: UNDP has successfully managed the GEF Small Grants Programme (SGP) for Armenia, through which it has funded a range of community-based

initiatives addressing key environmental priorities and targeting marginalized communities. This work has resulted in the promotion of a number of innovative approaches and technologies that address key environmental problems in the country.

FIGURE 3: Small Grants Programme snapshot



The grants provided by the GEF SGP have addressed key country priorities related to the environment with a focus on marginalized and underserved communities and testing innovative approaches and technologies (such as greenhouses, solar panels, intensive orchards). Areas of interventions included: protected areas management, biodiversity conservation; land degradation prevention; protection of transboundary water bodies; management of POPs and harmful chemicals, low-carbon technologies, and conservation of carbon stocks. According to estimates by the CO, at least 10,000 households have directly benefited from SGP initiatives and over 1,000 people have received permanent or temporary employment in more than 70 rural communities. It should also be noted that SGP activities have been complementary and wellcoordinated with the activities of other projects in the CO's environmental and inclusive growth clusters.

2.5. Overall country programme implementation

Finding 19: UNDP's work has been affected by significant changes in the political landscape, which

delayed results and/or affected effectiveness. UNDP's strategic positioning was strengthened over time, particularly in the area of governance, thanks to the effectiveness of its work on elections and its support to women in local politics.

In the period under consideration, the Armenian political system has gone through important changes and a significant level of instability, with first the transition towards a Parliamentary democracy and then two elections held in two years. The transition period 2016-2018 was defined as still characterized by uncertainty and limited accountability, which prompted UNDP to delay some of the planned work to strengthen the newly created Parliamentary democracy. With the Velvet Revolution, three-quarters of UNDP counterparts in the Government reportedly changed, and donor coordination mechanisms were suspended until February 2019. Several UNDP projects experienced delays in the implementation of activities and disruption, including its project to support people with disabilities, the SLFM portfolio, the work on human rights and gender equality, as well as all activities trusted with the now dismantled CSI.

CHAPTER 2: FINDINGS 25

UNDP has been a strategic partner for the Government of Armenia in the area of IBM, women in local politics, and climate change/DRR, where its engagement in support of national Government institutions has been sustained. In other areas (such as justice, local governance, and public administration), "UNDP had lost ground in recent years to competition, necessitating significant efforts to regain positioning space and prepare a new generation of project concepts that will hopefully mobilize funding and realize a return to relevance."94 UNDP's prior management decision to privilege local projects focused on infrastructure and community development, combined with strong direct involvement of bilateral donors in policy support, had sidelined the CO when the reform of the local administration and the consolidation of communities started.

In the last two years, UNDP has gained a stronger position in the area of governance, thanks to the good reputation earned through past projects' implementation and intensified contacts with different donors and stakeholders to back emerging national priorities. The efficient support to the conduct of elections and the work on women in local politics strengthened the cooperation with the EU,95 and opened new doors for partnerships in the context of the local governance reform, in support of broader efforts by bilateral donors (the SDC and GIZ in particular) to promote participatory decisionmaking. A basket fund in support of a modern Parliament is also under development.

UNDP's work on poverty reduction and inclusive growth – which is mostly funded by the Russian Federation, and valuably targets the most vulnerable areas – has yet to grow in scale and be institutionalized further through tighter links with line Ministries and the decentralization reform, to promote more coherent area-based development efforts.

Finding 20: UNDP positioned itself as a propulsive force for innovation in Armenia. Through the Kolba

Lab, it promoted citizen participation, crowdsourcing, and modernization of public services. UNDP also established the first country-level SDGs Lab, and promoted the use of innovative finance mechanisms and digital tools to advance socio-economic development solutions. The lack of data, combined with the limited time passed since the creation of some of these ventures, hampers the assessment of impact and sustainability of the supported innovations.

UNDP has promoted work on innovation in Armenia through three ventures: Kolba Lab, SDG Lab, and ImpactAim. As the distinctive role of the three initiatives has over time become clearer – with the Kolba Lab gradually focusing more on citizens engagement, SDG Lab on the Government, and Impact Aim on the private sector – a need for coordination among different actors remains, to ensure that Government innovative services are informed by citizens' needs and that the private sector potential is tapped to meet national development priorities. The institutional and financial sustainability of the Labs isunder discussion.⁹⁶

The CO has pioneered the incubation of innovative ideas for development through the Kolba Lab starting as early as 2013, with core UNDP resources first, followed by funding from the EU. Over the years, Kolba promoted innovation ideas through hackathons and incubated 40 start-ups, including ArmTraffic (a data surveillance tool for traffic management) and Matcheli (an online mapping platform that provides user-generated information on Armenia's disabled access spaces). The CO reported that about a third of the supported initiatives generated a social impact, with no clear estimate of effectiveness, though. Of the two above-mentioned examples given to the ICPE, Matcheli is still functioning (although mostly focused on Yerevan and its surrounding), while ArmTraffic is no longer operational.

Kolba has also been engaged with national Government institutions. In 2016, the Lab assisted the Office of the Prime Minister in organizing a

⁹⁴ 2018 Strategy Note.

⁹⁵ As of 2019, the EU was considering a twinning project in the area of Parliament support and started supporting a large investment in green agriculture to be managed by UNDP. Pipeline projects with the EU include interventions in support of EU4Citizens, EU LEADER, and police reform.

⁹⁶ After the Velvet Revolution, as the CSI was dissolved, the SDG Lab has been co-chaired by the UN Resident Coordinator and the Deputy Prime Minister, with UNDP among its Board members, and funding from the Russian Federation mostly. The Kolba Lab was transformed into UNDP Research and Development Unit, and it is now focused on the job foresight project, with funding from the UNDP Russia Trust Fund for Development.

crowdsourcing competition for the OGP process, which has been a first in the country. In partnership with the Union of Information Technology Enterprises, the Lab designed an artificial intelligence tool to analyse information in the DataLex case system. Three rounds of internal idea challenges were also carried out in the Prime Minister's Office, Ministry of Justice and the Ministry of Education, Science, Culture, and Sport to promote the modernization of services. Designed policy start-ups include a unified citizen request platform, an e-admission system for schools, and a career lab to bridge academia with the employment market. There is no data available to assess the effectiveness and sustainability of the supported initiatives.

UNDP core resources were pivotal in the establishment of the first in-country national SDG innovation Lab to accelerate the implementation of localized SDGs.⁹⁷ Of the planned outputs, the ICPE could find evidence only of the creation of a web-based platform (Travel Insights) for the Ministry of Economy's Tourism Committee on tourist sentiments about Armenia. No evidence of progress was available for the planned behavioural studies (on energy, health care, and education), use of data analytics to detect tax evasion, or artificial intelligence to promote scale investments in rural areas.

UNDP has also been very active in the sector of impact investment, although it is too early to assess the effectiveness of the initiatives promoted, since all the initiatives (except one) are still ongoing. In 2019, in the context of the Tech4SDGs financing framework, UNDP signed an agreement with a private company to establish the Tech4SDGs impact fund, which aims to promote investments in technological solutions in support of SDGs.

With some exceptions (such as the Climate Change Technology Accelerator developed within the wildfires management programme), innovation work has mostly been conducted in parallel with the rest of UNDP's programme of work. This was the case, for example, of the Matcheli app for people with disabilities (see Finding 8) and the Travel Insights platform which was not connected to the TRM tool (see Finding 3), to which it could have provided important inputs.

Overall, stakeholders interviewed for the ICPE appreciated the different (more inclusive and technology-heavy) approach that UNDP in Armenia is taking to promote development and integrate social and environmental standards in business ventures for the achievement of SDGs. UNDP has planted important seeds, whose results – with few exceptions – are however yet to be seen, and their sustainability tested by the market. In any event, the CO does not have a system in place to assess the success of the initiatives supported and use the findings to promote learning among stakeholders and inform any future initiative.

Finding 21: In addition to the establishment of the SDGs Lab, UNDP has supported the Government in the definition of local targets for the SDGs and promoted analysis of achievements and gaps. Progress both at policy and data monitoring level has been hampered by changes in the Government following the revolution.

UNDP supported the National Council on Sustainable Development in the localization of SDGs and promoted analyses to identify entry points for implementing the SDGs, based on progress achieved and gaps. Together with other United Nations partners, the CO supported the Mainstreaming Acceleration and Policy Support (MAPS) mission, and the drafting of the first Voluntary National Review report in 2018. The MAPS report acknowledged a fair alignment between national priorities and the SDGs⁹⁹ and informed the definition of accelerators for further action. Follow-up work was hampered by changes in the Government, as the Armenia Development Strategy 2030 – which was to be completed by the end of 2017 – is still in draft form. There is no evidence

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⁹⁷ The Lab had four lines of service: behavioural experimentation; data analytics, capacity-building, and impact investment through the promotion of social impact bond (which was, however, weakly implemented). The Lab has since been supported by the Russian Federation and – to a lesser extent – the United Nations Resident Coordinator Office and Sweden.

⁹⁸ UNDP supported a general open accelerator programme, two climate change technology accelerators (targeting forestry, agriculture and urban development issues), the SDG Accelerator 5 for girls in Science Technology Education and Math (STEM), and the AIM GovTech Accelerator.

⁹⁹ Of the 108 SDG selected targets, 40 percent were aligned with the national development strategy, 26 percent with sectoral documents, and 36 percent not aligned.

of the implementation of SDG accelerators, beyond the initiative to promote girls in STEM (SDG5). According to stakeholders interviewed for the ICPE, the Government has yet to fully embrace the SDGs as a framework, and preparatory documents have not been utilized as conceived.

BOX 2. Armenia's SDGs accelerators

- Modern and efficient public administration: building trust; developing responsive institutions; and ensuring effective service delivery at the local level
- Strengthened social protection system: creating paths to decent work; social benefits reach those in need; quality social services delivered to the most vulnerable; and integrated case management systems strengthened
- Green economy: protected area system expanded and effectively managed; integrated land-use and water management strengthened; improved management of pollution and waste; ecosystem-based approach to climate change and disaster risks
- Unleash human capital: universal access to quality health services; improved access to quality education; and empowered women
- High-growth high-employment economy: improve the business environment and corporate governance; access to a high productivity labour force; diversify sources of finance for SMEs; and integrated into world trade and investment

UNDP built the capacity of the SCA on indicators for the monitoring of SDGs. In 2018, the CO supported the establishment of a task force on the SDGs to coordinate capacity-building efforts in the area of SDGs data. The platform - which saw the participation of various United Nations agencies, the Government, and the SDGs Lab – promptly provided technical and advisory services (funded by the IOM and UNFPA) required to strengthen the existing SDGs Statistics Platform.¹⁰⁰ Together with UNICEF, UNDP also supported the SCA in the development of child-related SDG baseline indicators. Relevant stakeholders well appreciated UNDP's support to create awareness and coordinate efforts in this area. However, the list of national indicators has never been finalized, as the inter-agency national committee on the SDGs has not met since the change in Government. The SDG platform, which is available online, presents several gaps in terms of indicators and data flows.

UNDP supported data analytics efforts for the promotion of the SDGs also through the SDG Lab. The Lab was tasked with the design and testing of an SDGs Barometer for SDG7 (Energy), with the idea of expanding the tool to all the other SDGs at the end of 2018. The pilot, which highlighted interesting lessons learned in terms of data accuracy and frequency, 101 has not been scaled up, and it is reportedly in the pipeline of the Lab for future work.

Finding 22: UNDP has valuably engaged with both citizens and the private sector, promoting a vision of sustainable development which empowers actors other than the Government to contribute to change.

UNDP has promoted the participation of both individual citizens and private sector companies in its work in support of sustainable development. Through its WiLD project and various initiatives by the Kolba Lab, UNDP enhanced awareness about participatory development and gave women and youth, in particular, the possibility to inform decisionmaking by developing ideas and proposals for action, including through crowdsourcing platforms. UNDP also promoted the participation of citizens in local decision-making by supporting the formalization of ideas into business plans and creating community funds for the management of shared resources. Stakeholders interviewed for the ICPE indicated that, besides the immediate effects that UNDP could contribute to, this work has been important for social capital development, and to ensure individuals' stronger ownership of their future.

UNDP has actively engaged with the private sector, not only to ensure financial sustainability for some of its activities (as in the case of the involvement of tour operators in the tourism project) but also to promote private investments to achieve the SDGs. Through the ImpactAim initiative, UNDP created a platform that did not only bring together the Government, development agencies, and the private sector, but

¹⁰⁰ The SCA had created the SDGs Statistics Platform in 2017 with the support of UNFPA (sdg.armstat.am).

 $^{^{101} \} https://medium.com/@armeniaSDGLab/armenias-sdg-innovation-lab-what-did-we-learn-from-our-first-project-5cd65600a5ad$

also included investors to leverage their funding for the development of innovative solutions. In the area of energy efficiency, UNDP's interventions also have the potential to favour more investment by the private sector, by reducing the overall risk profile.

Finding 23: UNDP mobilized a larger than expected amount of resources in support of its programme of work, particularly in the area of governance (through the electoral support project) and on energy and environment. The funding sources have been diversified thanks to new agreements with the GCF and the Russian Federation, thus reducing dependency on EU and GEF funding.

UNDP was able to mobilize a larger than expected amount of resources from external donors and national stakeholders. The CO's budget for 2016-2018 amounted to a total of \$53 million, which is higher than the \$46.05 million planned in the CPD for the

whole cycle. Out of a \$38.35 million pipeline for 2019-2020, the CO expects to mobilize around \$15 million, which would bring the total resource to a level 48 percent higher than planned.¹⁰²

Delivery, however, declined from \$15 million in 2016 to \$13 million and \$10 million in 2017 and 2018 respectively, with an execution rate of 60-70 percent in the last two years, likely a reflection of the country's political instability (as two-thirds of the projects have been implemented using the national implementation modality). The majority (60.5 percent) of the delivery occurred in the area of democratic governance, mostly thanks to the high-budget projects on elections and IBM. In the area of environment and energy, delivery was on target vis-à-vis what planned, while inclusive growth and gender had lower delivery rates, with 34 percent and 17 percent of what was planned for the CPD period.¹⁰³

FIGURE 4: Programme budget and expenditure

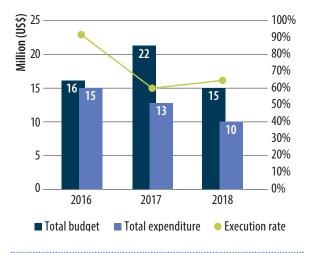
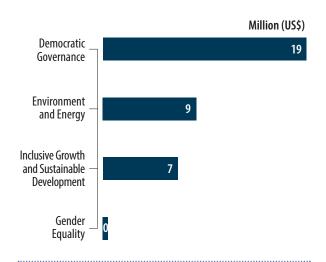


FIGURE 5: Expenditure by area



UNDP was able to diversify its sources of funding, allowing the CO to maintain a more neutral and independent position in support of Government priorities. As core resources sharply diminished compared to the previous CPD cycle (\$1.2 million in 2016-2018 vs \$5 million in 2010-2015) with Armenia graduating as upper middle-income country, UNDP

reinforced its partnership with the EU and the GEF and signed new agreements with the Russian Federation (which has become the main external donor to UNDP in 2016-2018), the GCF (with a \$20 million grant in the area of climate change), the ADA, and the GGF, among others.

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¹⁰² In the previous CPD cycle (2010-2015), UNDP resources amounted to \$83.07 million.

¹⁰³ ICPE analysis of data provided in CPD document and its MTR 2018.

FIGURE 6: Total expenditure by fund category, 2016-2018



Finding 24: UNDP promoted gender equality and empowerment of women through gender-focused projects and women-targeted activities in the inclusive growth and, to a smaller extent, environment portfolio. The CO's Gender Equality Strategy and Action Plan promoted a number of important measures for internal gender mainstreaming through planning and management actions, but it could have further developed the identified entry points to mainstream gender into programme areas and projects. UNDP's efforts in this area awarded the CO the Silver Gender Seal in 2017.

In compliance with a recommendation by the IEO's Assessment of Development Results, in 2016, UNDP developed a Gender Strategy which identified relevant entry points for UNDP to address key barriers to the empowerment and full enjoyment of women's rights.¹⁰⁴ The Strategy and the related Action Plan include internal measures and processes to mainstream gender both in the CO's management practices and outputs. As also noted in the October 2016 review by UNDP headquarters, the Gender Strategy focused more on internal processes than programmatic objectives. The link between the UNDP-wide identified entry points and the CO's programme of work was not clearly made, and specific gender-related goals in the four outcome areas were not formulated. The CO developed a well-articulated monitoring tool for the Action Plan. However, its implementation was reportedly challenging, as not all staff were equally engaged and supportive. 105

Through a two-year framework agreement with four international gender advisers, the CO has engendered a few internal processes, including the development of quality assurance checklists. A new architecture of gender focal points was introduced at the level of heads of unit and/or project coordinator, and a gender focal team was established. Since July 2019, the gender team was tasked to review all projects prior to their submission to the Local Project Appraisal Committee (LPAC), as an analysis of previous LPAC minutes had shown the need to further mainstream gender in projects.

Overall, UNDP estimated that about half of the project expenditures (47.6 percent) had gender equality as a significant objective (GEN2), with 1.2 percent of its output expenditures focused on gender equality and empowerment of women as the principal goal (GEN3).106 The IEO's GRES analysis revealed that projects in the area of gender equality and human rights were mostly gender-responsive, and in few cases (e.g. women in local democracy) transformative; activities to support poverty reduction and inclusive growth were generally gender-targeted and, to a lesser extent, responsive; while the work in the area of governance and environment was for the most part gender blind, with some gender-targeted SLFM projects. In terms of results, good examples of gender mainstreaming included: the inputs to the CEC's draft policy to promote equal rights and opportunities in the electoral process, the adoption of a gender-sensitive methodology to inform service delivery for people

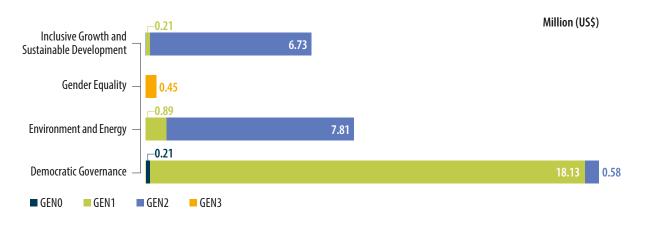
¹⁰⁴ In July 2019, the CO revised the strategy with a focus on the period 2018-2020, in line with the UNDP Gender Equality Strategy 2018-2021.

¹⁰⁵ The last update of the Action Plan's implementation made available to the ICPE is dated October 2016.

¹⁰⁶ Tracking gender-related investments and expenditures in Atlas, UNDP.

with disabilities, the inclusion of women in agricultural development projects, and the implementation of crisis management measures in rural communities with a special focus on women-headed farms.

FIGURE 7: Expenditure by gender marker and thematic area



UNDP chaired the UNCT's GTG and collaborated with other United Nations agencies on gender issues across its portfolio. The UNCT Gender Equality Scorecard highlighted the collaboration with UNICEF and UNFPA on GBV and mainstreaming gender into DRR, and the work with the Food and Agriculture Organization and UNIDO on women-led processing and value chain. UNDP also partnered with UNICEF on the SDG5 Accelerator, to equalize the gap between girls and boys in the area of STEM.

In recognition of its efforts "to promote equal rights and equal opportunities for all and delivering gender equality results across its work", UNDP was awarded the Silver Gender Seal in February 2017.

Finding 25: The M&E system currently in place does not allow for an adequate assessment of the results achieved, for both accountability and learning. The CO put in place a number of measures to improve the frequency and quality of reporting; yet, M&E activities have mostly focused on financial management and counting of outputs, with little attention paid to outcomes and learning to improve effectiveness. Few evaluations have been conducted outside the energy and environment area. The CO's capacity remains inadequate.

UNDP Armenia does not have a strong M&E system that allows for an assessment of the effectiveness of the outputs and activities implemented at the programme level. The convergence of UNDAF and CPD outcomes in the ROAR, and the level at which UNDAF/CPD indicators are defined, does not allow for a clear articulation of how UNDP outputs specifically contributed to higher level results. A significant gap remains between the definition of output and impact level indicators (such as the reduction of poverty nation-wide), creating what is commonly known in theory of change as the 'missing middle'.

The quality of the M&E framework has been the subject of various external reviews. The 2015 Assessment of Development Results already recommended the improvement of results-based management and M&E of programmes at the outcome level. In 2018, both the CPD mid-term review and an internal audit stressed again the need to strengthen the monitoring system, for it had only followed the minimum requirements and had not been adjusted to the complexity of the projects. The audit commented on the minimal frequency of project boards meetings, and that reports only included financial but not results-related information. In response to the audit recommendation, the CO introduced a new standard

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progress report template, including a lesson learned session, which is now produced quarterly and checked for quality. As of June 2019, 75 percent of the reports for the first quarter have been uploaded, according to the CO. In order to incentivize reporting, the CO was also planning to include project indicators in the delivery tracking tool, to be regularly discussed by Senior Management.

While the improvement of the template and the frequency of reporting are valuable steps, important gaps remain in the quality of the Resources and Results Framework (RRFs) design - against which results are reported. The ICPE's review of RRFs found inadequately formulated results at the outcome level, and loosely linked indicators. Project monitoring reports also mostly focused on the delivery of outputs. While it should not be expected that outcomes fully manifest during projects' implementation, the CO has seldom introduced indicators and measures to assess early achievements in terms of behavioural changes and impact – which is all the more important as the CO has championed innovative approaches across its work. Some good illustrations come from the tourism project (which tracks the increase in income levels) and the GEF initiatives which, for example, estimated the savings and GHG emission reductions from the implementation of energy efficiency tools. Stakeholders interviewed for the ICPE also expressed the desire to have more outcome-focused progress reports.

In 2016-2018, the CO conducted 10 evaluations, the majority (72 percent) in the area of energy and environment for GEF-funded projects for which evaluations are mandatory. Five more evaluations are planned by 2020, including an evaluation of the inclusive growth portfolio and two projects on integrated rural development (which should have been evaluated at mid-term according to the UNDP guidelines on evaluations) and rural tourism. In the area of governance, the IBM portfolio – which amounted to \$18 million overall (24 percent of the programme budget) – has never been evaluated.

According to the IEO quality assurance system, the quality of the evaluations conducted was overall moderately satisfactory. Interviewees noted that project managers had at times to step in to improve the poor quality of the assessments, which however goes against the principles of independent evaluation. Stakeholders interviewed for the ICPE indicated that staff had overall limited interest in evaluations, of which they did not see value, and which were conducted only per donors' requirements.

The CO's capacities in the area of M&E remain inadequate: as of 2019, it only had a national staff dedicated part-time to M&E for the whole office. Given the limited time available, the M&E officer has not been systematically included in the quality assurance of all RRFs. A system of horizontal peer review by colleagues has been introduced, which however only partly respond to the need and must be accompanied by more systematic capacity-building efforts for all programme and project managers.

¹⁰⁷ The CO also commissioned an evaluation of the Agricultural Census project and the Support to Electoral process. A mid-term evaluation of the WiLD2 project was commissioned by the donor. The final evaluation of the Elimination of Persistent Organic Pollutants was cancelled.

^{108 &}quot;Projects with a planned budget or actual expenditure of over \$5 million must plan and undertake both a midterm and final evaluation." UNDP Evaluation Guidelines, 2019.

CHAPTER 3

CONCLUSIONS, RECOMMENDATIONS AND MANAGEMENT RESPONSE

EVELOPMENT effectiveness COORDINATION efficiency PARTNERSHIP sustainability NATIONAL Custainability MANAGING FOR RESULTS responsiveness COORDINATION AND DEVELOPMENT recommendation of the Coordination of the

3.1. Conclusions

 Conclusion 1: Adapting to context. The changes brought by the Velvet Revolution significantly affected the work of UNDP, challenging the timely delivery of projects across its areas of work. While UNDP has been a trustworthy partner for both the previous and the current Government, the present political climate and the enhanced relationship with key international partners offer new opportunities to support institutional capacity development and strengthen the CO's involvement in the area of governance.

The political environment in which the CO found itself operating differed from the stable Presidential democratic system in which the CPD was signed. Uncertainty and Government turnover have affected UNDP's work across areas, including the support to the SDGs, initiatives on human rights and gender, as well as projects to promote the SLFM. UNDP has promptly engaged in dialogue with the new Government, adapting its work to emerging needs and responding to changes in strategies and approaches including at the project level, whenever the national counterpart deemed it more appropriate. With the national strategies still partly under development, however, the implementation of several outputs, and the consequent achievement of outcomes, has been severely delayed.

In the area of governance, the initial slow-paced development of the Parliamentary system and the citizens' protests for more accountability and transparency (which led to two elections in the current cycle) made for a challenging work environment. More than two years after the change in the governance system, donors and members of the international community at large are considering how to best support national institutions to achieve the country's development goals, and UNDP is part of this discussion. The renewed cooperation with the EU and its Member States to promote Parliament's strengthening is very important in this respect. UNDP's expertise in institution building and neutrality will be extremely valuable in the years to come. The convergence of a new governance model and a new Government represents an opportunity for enhanced collaboration in support of national institutions, particularly around gender and human rights issues, as well as justice reform and public administration development.

 Conclusion 2: Results and engagement. In a volatile context, UNDP still accompanied the achievement of key milestones for Armenia. The CO has been the most effective in technical areas where it has long supported national institutions' capacity-building. Its work to promote human rights will require more sustained engagement.

In the current cycle, UNDP has gained a lot of visibility through the very efficient organization of international assistance for the conduct of two elections, and the consistent support it has provided to women's participation in local councils. These initiatives have reinforced partnerships and opened new doors for collaboration with other international actors. Earlier, UNDP's support to the first agricultural census of Armenia represented another important milestone for the country. Equally important has been UNDP's long-term support in the area of integrated border management and environment and climate change, where results derived from sustained engagement. In the area of DRM, the partnership with national institutions allowed for a shifting from a disaster responseoriented system to one aimed at reducing risks.

UNDP has played an important role in the coordination of international support for the promotion and protection of human rights and gained a stronger positioning in the area of gender equality and women's empowerment. Results in these areas have not advanced as expected, particularly at the policy level, and will require more sustained engagement to ensure that no one is left behind and that barriers to the full enjoyment of human rights for all are gradually removed.

 Conclusion 3: Integration. UNDP's work has been mostly articulated around individual project opportunities, and traditionally favoured activities in support of individual line Ministries. Yet, UNDP added the most value when it promoted, with different degree of success, concertation among different stakeholders through issue-based coalitions. Because of the nature of its funding system, UNDP's work has been articulated around individual project initiatives, making it more difficult to ensure coherence among different interventions. The CO has not fully articulated issue-based theories of change that identified programme outcomes to which various projects could contribute. This notwithstanding, the cooperation between project initiatives was good, with room for more crossfertilization between different portfolios.

Within the project context, UNDP has worked in close partnership with different Ministries, as relevant. It developed solid relationships over time, particularly with the Ministry of Environment in the area of natural resource management and the MTAI for both governance and inclusive growth initiatives. Complex systemic changes - whether related to climate change, poverty reduction, or positive actions for the reduction of discrimination - however, require closer concertation of efforts among various Ministries. UNDP has not often worked with 'less natural' counterparts, such as the Ministry of Finance and Economy on incentives for energy and environment, or the Ministry of Labour and Social Affairs to tackle the socio-economic factors hampering women's participation in politics. The creation of issue-based platforms is where UNDP can add the most value in its role as an integrator as it did – with different degree of success - in the areas of DRR, forest management and people with disabilities.

Conclusion 4: Innovation and sustainability. UNDP
has proposed itself as a champion for innovation,
promoting the involvement of citizens as well
as private sector companies in its work. While
innovation is becoming a central feature of UNDP's
efforts in Armenia, the linkages with its core work
have not been ensured, and the sustainability of
newly established structures is yet uncertain.

UNDP started working on innovation in Armenia even before the UNDP Innovation Facility was launched, and other country offices started working in this area. The CO's bottom-up approach stimulated innovative ideas, tapping on the positive energy of youth and a vibrant IT sector. UNDP earned itself a good reputation for supporting the incubation of ideas by individuals, Government staff, and private companies

alike that wanted to contribute to more sustainable development of the country. The involvement of private investors in support of the SDGs which the CO has recently started pursuing puts the office among the most innovative in the area of impact finance.

The scaling up and impact of innovative practices and financing mechanisms, however, remain uncertain. The push for openness and support to nationally bred ideas risks becoming a goal in itself, if the innovations are not well integrated into UNDP's or national institutions' work. Questions remain about the future of the different innovation facilities, once UNDP's support ends. The institutional anchorage of some of the structures created through projects also remains yet to be defined, and more needs to be done to promote their sustainability to ensure that projects' results are institutionalized and replicated.

• Conclusion 5: M&E. UNDP's M&E system does not allow a full assessment of the overall effectiveness and impact of its work on people's lives. The focus remains on accountability, rather than learning, and stops at the project level. The need to strengthen the M&E function is enhanced by the high level of innovation introduced by the CO, whose effectiveness is to be tested and could provide important lessons.

UNDP's M&E system suffers from the absence of an overarching structure where individual projects' contribution to corporate results is defined, and poorly designed logical frameworks at the project level. As documents detailed activities and outputs, they struggled to provide a coherent picture of the logical linkages between outputs and expected outcomes. Even with recent improvements, the focus of M&E remains on accountability and compliance rather than on the analysis of the change brought about by UNDP's projects.

The lack of a strong M&E system affects the capacity of Senior Management to get a comprehensive picture of the results achieved and gaps in implementation against the defined strategy. In a context characterized by a high level of innovation with large potential for learning – and given the reliance of the CO on multiple funding sources to achieve its programmatic objectives – this needs to be addressed.

3.2. Recommendations and management response

Recommendation 1. Theory of change

UNDP should develop its future programme interventions based on clear theories of change derived from its vision for Armenia.



UNDP should translate its vision for a green and inclusive economic revolution into theories of change for defined issues that need to be addressed, taking advantage of the synergies produced by combining its different technical expertise and facilitating coordination among various line Ministries. When defining the theories of change, UNDP should take into full account existing initiatives by other stakeholders, to enhance the impact of its work through a multiplier effect. In this process, UNDP should use the SDGs accelerators as a reference framework, to ensure full alignment between its vision and the support to areas where Armenia is lagging more behind.

Management Response: Agreed



Theory of change is a formal part of the current and planned CPD. Following the 2018 Velvet Revolution and subsequent change of governance structures, during 2019, UNDP Armenia Country Office held series of different format cross programme reviews (i.e., retreats, sustainability review, sense-making exercise, etc.) to identify and discuss in details new approaches in programming, emerging priorities and needs, new development pathways. Such exercises are being performed also in the process of identifying programmatic priorities for the new CPD process. The inputs obtained through the ICPE stakeholders debrief are considered equally valuable in this regard. Besides the focus on identifying comprehensive and relevant programmatic avenues and obtaining stakeholders inputs, particular attention will be paid to enhancing impact management and measurement of UNDP interventions in conjunction with its current methodology of Results-Based Management. UNDP is building its new theory of change based on its experience of SDGs accelerators ideated and tested through the current programme cycle, thus connecting its vision and expertise with most acute development needs in Armenia with the focus on leaving no one behind.

| Key Actions Completion Responsible | Tracking* | | | |
|---|---------------------|--|-----------|--|
| | date Unit(s) | Status | Comments | |
| 1.1. Develop 2021-2025 CPD based on UNDP's theory of change methodology. | By 15 March 2020 | Deputy Resident Representative and Programme team | Initiated | |
| 1.2. Discuss and validate draft CPD with its ToC development pathways with RBEC colleagues, as part of the Integrated Programme Assessment process, as well as with national and international development partners and UN Agencies, including as part of UNSDCF formulation process. | By 30 March 2020 | RR, DRR, Programme team | Planned | |



Recommendation 2. SDGs



UNDP should support the revitalization of the national committee for the implementation of the SDGs and continue advocating with the Government for the full alignment of national and sectoral policies with the SDGs.

In partnership with the United Nations Resident Coordinator, UNDP should reinvigorate the dialogue around the SDGs, to ensure the alignment of national policies to the agreed goals and targets. In order to enhance accountability and inclusiveness, UNDP should promote a more active role of the Parliament and civil society in the discussion around the SDGs. In addition, UNDP should continue working with the SCA and other partners to improve the quality and accuracy of SDGs-related statistics, promoting their use to inform policies and strategies.

Management Response: Agreed



UNDP, in its role of SDG integrator, jointly with United Nations Agencies and with overall Resident Coordinator Office's leadership is currently involved in supporting the revitalization of the national committee for the implementation of the SDGs (the process was idle since May 2018), now likely to be branded as the National Sustainable Development Council. UNDP continues advocating for the need of nationalized and localized SDG targets and respective alignment of national and sectoral policies, including SDG financing. UNDP, with its role of integrator and with the application of its country development platforms, will participate jointly with the United Nations Resident Coordinator in reinvigorating dialogues around the SDGs, SDG financing and SDG implementation at the national and local level. Through its existing and new projects, UNDP will continue promoting and advocating for accountability and transparency of public institutions, among others, through a more active role of the Parliament, civil society, private sector and individual citizens. UNDP will also focus on improving the quality and accuracy of SDG-related statistics, including through innovative and non-conventional means such as big data and artificial intelligence, to inform development policies and strategies. UNDP is also actively supporting, again together with the Resident Coordinator's Office, the Armenia Voluntary National Review process.

| Key Actions Completion | Completion | Responsible Unit(s) | Tracking* | | |
|---|---------------------|---|-----------|----------|--|
| | date | | Status | Comments | |
| 2.1. Through the current (by end 2020) and 2021-2025 programme cycle allocate resources and expertise for the revitalization of the inter-agency committee on the implementation of the SDGs and participate in the processes with its role of an integrator. Support alignment of national and sectoral policies with the SDGs. | By 31 July 2020 | Programme Management and Portfolio Leads | Initiated | | |
| 2.2. In new CPD 2021-2025 allocate more outputs directly contributing to a more active role of the Parliament, civil society and citizens. | By 31 March 2020 | Programme Management and Portfolio Leads | Initiated | | |



Recommendation 3. Integration and local development

UNDP should promote a more integrated vision of local development, reinforcing the synergy among its portfolios, following an area- and outcome-based development approach.



UNDP should ensure that all its interventions at the local level are implemented in close coordination with local stakeholders and are inscribed into existing institutional frameworks and structures, to promote synergy and sustainability. UNDP's support to municipal participatory budgeting processes under the governance/gender portfolio and the work in support of community-based organizations under the inclusive growth portfolio should be better coordinated. The growth portfolio could also be linked more closely with projects aimed at improving the management of protected areas, for the promotion of green tourism.

Management Response: Agreed



Synergies of the local development portfolio are increasingly strengthened with the other environment and governance portfolios. Rolling sense-making exercises are envisioned to dive deep into the underlying correlations and develop programmatic and area-based development approaches. Such correlations will be duly noted in the new CPD.

| Key Actions | Completion Responsible date Unit(s) | Responsible | Tracking* | | |
|---|-------------------------------------|--|-----------|--|--|
| | | Status | Comments | | |
| 3.1. Through new programme cycle and in ongoing projects where feasible include activities that promote integrated local development practices implemented in close coordination with the local stakeholders and embedded into existing and new institutional frameworks/structures. Ensure stronger impact, bottom-up synergies and sustainability policies via ongoing co-design and quality assurance. | 31 December 2020 | Portfolio Lead for projects on sustainable socio-economic growth and resilience at local level | Initiated | | |
| 3.2. Establish effective practices of collaboration and synergies among the projects of different portfolios that focus on area development, social services, sustainable agriculture, management of protected areas, promotion of green tourism, etc. | 31 December 2020 | Programme, Portfolio Leads | Initiated | | |



Inclusive growth

Recommendation 4. In the area of inclusive growth, UNDP should enlarge its support for employment creation and build on good practices to affect impact at a broader scale.



UNDP should expand its work in this area by reinforcing its support to SMEs' participation in value chains and promoting integrated rural development approaches with the participation of all relevant national stakeholders - including the Ministry of Economy, the Ministry of Labour and Social Affairs, and the Ministry of Environment. UNDP should take stock of the work conducted in Tayush and evaluate the effectiveness of its community initiatives, to promote their institutionalization and scaling up, as relevant. In addition, UNDP should identify ways to strategically support the implementation of the employment strategy to promote the development of capacity demanded by the market and thus reduce inequality. In the area of tourism, UNDP should agree with national stakeholders the transfer of the TRM to the State Tourism Committee and agree with the latter on a strategy to institutionalize the tourism and research centres.

Management Response: Agreed



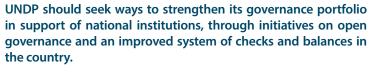
UNDP will strengthen its work on inclusive growth affecting impact at a broader scale. There are several new projects that will serve as platforms for these exercises, such as Green Agriculture in terms of Small and Medium Enterprises and value chains, Sustainable Communities in Gegharkunik and Vayots Dzor in terms of stock-taking and elevating the work done in Tavush and through the Integrated Rural Tourism Project. Increased focus on job creation and particularly jobs foresight and future jobs is expected.

| Key Actions | Completion | Responsible Unit(s) | pletion Responsible Tracking* | | Fracking* |
|---|---------------------|-----------------------------|-------------------------------|----------|-----------|
| | date | | Status | Comments | |
| 4.1. Through its new programme cycle in 2021-2025, UNDP aims to further focus on employment creation and build higher-impact sustainable development practices at a broader scale. UNDP will focus on SMEs' effective participation in value chains and promoting integrated rural development approaches closely collaborating with the Ministry of Economy, Ministry of Labour and Social Affairs, and the Ministry of Environment. | 31 December 2021 | Socio-economic portfolio | Initiated | | |

| 4.2. UNDP will evaluate its work in Tavush |
|---|
| region and effectiveness of its community |
| initiatives to learn on its actual results and |
| define scale-up strategy. Internalizing |
| lessons learned is important for effective |
| sustainability and exit strategy policy |
| development. UNDP will engage youth, |
| women and men to co-design and apply |
| sustainable employment and livelihood |
| strategies at the local level, thus affecting |
| also local in inequalities. In the area of |
| rural tourism development, UNDP will |
| collaborate with partners to transfer the |
| TRM tool to the State Tourism Committee |
| and apply for research and inform policy |
| and decision-making. |

| sh ity nd | 31 December 2020 | Socio- Economic portfolio | Initiated | |
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Recommendation 5. Democratic governance





UNDP should expand its portfolio in the areas of institution building in support of the Parliament, public administration reform, and rule of law. In the implementation of the agreed reforms, UNDP could consider adopting a model similar to the one successfully applied in Georgia, where basket funds and flexible funding arrangements have allowed the financing of different initiatives in support of emerging needs.

Management Response: Agreed



A comprehensive, multi-annual Parliament programme has been initiated in Autumn of 2019, among others with a strong focus on open governance, transparency and accountability. The office is increasingly engaged in justice and anti-corruption activities. Reinforcement of the governance work is an important target for the office for 2020 and for the new CPD going forward.

| ey Actions Completion | Responsible | Tracking* | | |
|--|---------------------|---------------------------------------|-----------|----------|
| | date | Unit(s) | Status | Comments |
| its democratic governance portfolio with more focus on effective governance, stronger democratic oversight, and more responsive, accountable and inclusive institutions. The CPD 2021-2025 will have a stronger emphasis on: (i) supporting the National Assembly to strengthen its legislative and oversight capacities, promoting open governance; (ii) developing capacities of human rights and electoral management bodies, including for inclusive and gender-responsive development practices; (iii) strengthening integrity of judiciary and public service, and fighting corruption practices; (iv) supporting public administration reform focusing on civil service office, police and customs; (v) supporting the Government in fulfilling its human rights commitments, putting the ambitious HR Action Plan into action. | 31 December 2021 | Democratic Governance portfolio | Initiated | |

Recommendation 6. Gender equality and empowerment of women



UNDP should further support national institutions in the promotion of gender equality and empowerment of women, adopting a comprehensive approach that focuses on addressing structural and root causes behind GBV and what is preventing women and girls from fully enjoying their rights.

UNDP should lead the UNCT's efforts in support of the new women's national machinery, and – together with other GTG members – define a joint approach to address the institutional and cultural barriers that affect women's capacity to participate in political and economic life, as well as the factors behind the high rate of GBV. Any future intervention in this area should aim at tackling behavioural change and cultural assumptions about the role and rights of men and women in the society, including among members of national institutions. The CO should also consolidate the creation of women's networks in politics and business, to stimulate the discussion about the role of women in society and set positive examples for young girls to look up to.

Management Response: Agreed



UNDP will put a stronger focus on strategies, action plans and new pipeline projects to support national institutions in the promotion of gender equality and empowerment of women, adopting a comprehensive approach that focuses on addressing structural and root causes behind GBV and what is preventing women and girls from fully enjoying their rights. Strategies, action plans, new pipeline projects and terms of reference (ToRs) will be developed to support a new women national machinery. Through the new programme cycle, UNDP will take a more active stance in defining with the Gender Theme Group members a joint approach to address the institutional and cultural barriers that affect women's capacity to participate in political and economic life, as well as the factors behind the high rate of GBV. Monitoring/tracking framework will be put in place to measure behavioural change and cultural assumptions about the role and rights of men and women in the society, including among members of national institutions. UNDP Armenia will also deepen and consolidate its work on the creation of women's networks in politics and business, to stimulate the discussion about the role of women in society and set positive examples for young girls to look up to. In 2020, UNDP took over on rotational basis the chairmanship of the UN Gender Theme Group.

| Key Actions | Completion | Responsible Unit(s) | Tracking* | | |
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| | date | | Status | Comments | |
| 6.1. UNDP will put a stronger focus on strategies, action plans and new pipeline projects are in place on UNDP's work to support national institutions in the promotion of gender equality and empowerment of women, adopting a comprehensive approach that focuses on addressing structural and root causes behind GBV and what is preventing women and girls from fully enjoying their rights. | By 31 December 2020 | Human Rights Project also Gender Programme and other new projects | Initiated | | |

| 6.2. Strategies, action |
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| 6.2. Strategies, action plans, new pipeline projects and ToRs developed on UNDP's support/lead of UNCT's efforts to support a | |
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| new women's national machinery. Through | ı |
| the new programme cycle, UNDP will take | |
| a more active stance in defining with GTG | |
| members a joint approach to address | |
| the institutional and cultural barriers that | |
| affect women's capacity to participate | |
| in political and economic life, as well as | |
| the factors behind the high rate of GBV. | |
| Monitoring/tracking framework in place to | |
| measure behavioural change and cultural | |
| assumptions about the role and rights of | |
| men and women in the society, including | |
| among members of national institutions. | |
| UNDP Armenia will also deepen and | |
| consolidate its work on the creation of | |
| women's networks in politics and business, | |
| to stimulate the discussion about the | |
| role of women in society and set positive | |
| examples for young girls to look up to. | |

| By 30 June | Senior |
|------------|------------|
| 2020 | Management |
| | and Gender |
| | Programme |

Initiated



Recommendation 7. Human rights

UNDP should strengthen its support to human rights to further integrate the 2030 Agenda principles of leaving no one behind.



UNDP should enhance its work in the area of human rights, and in particular on abuses by enforcement officials, anti-discrimination, and people with disabilities. Planned interventions should not be limited to the reinforcement of national strategic and planning capacity but ensure the implementation of on-the-ground solutions to protect the rights of the most vulnerable. The collaboration with IOM and UNHCR in the area of migrant rights through enhanced border management should be strengthened.

Management Response: Agreed



The country office will deepen the integration of Human Rights Based Approaches and 2030 Agenda principles of leaving no one behind in programme and projects. Planned interventions will focus on the implementation of the ground solutions to protect the rights of the most vulnerable and will explore also opportunities to strengthen collaboration with IOM and UNHCR in the area of migrant rights through enhanced border management practices.



| Key Actions | Completion | Responsible Unit(s) | tion Responsible Trackin | Tracking* |
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| | date | | Status | Comments |
| 7.1. The CO will develop a strategy and action plan on the incorporation of Human Rights Based Approaches (HRBA) and 2030 Agenda principles of leaving no one behind in programme and projects, which will serve as an Annex to CPD 2021-2025. Planned interventions will focus on the implementation of the ground solutions to protect the rights of the most vulnerable and will explore also opportunities to strengthen collaboration with IOM and UNHCR in the area of migrant rights through enhanced border management practices. | By 30 June 2020 | CO Human Rights Focal Point | Initiated | |







UNDP should better define the contribution of its innovation work, including funding to start-up, to the CO's programmatic goals, to ensure that any intervention supported in this area is aligned with the expected outcomes, and technology is fully harnessed to promote broader corporate results. The strategy should not just focus on innovation as technology, but also consider how behavioural science experiments could be integrated into projects to identify successful practices in development. The respective roles of the three Labs and their sustainability should be clarified.

Management Response: Agreed



At the end of 2019, UNDP Armenia formalized a team-lead role for the innovation portfolios, as a major step in consolidating its innovation platforms and bringing innovation as a more integral part of the overall CO portfolio. Behavioural science, data and acceleration platforms are increasingly part of the thematic project designs. The country office will codify its strategy of innovation work, to serve as guidelines for newcomers, programme and project staff. It will be well connected with the country office's programmatic goals and results framework, and will contain recommendations on sustainability mechanisms of innovative interventions.

| Key Actions | Completion date | Responsible Unit(s) | Tracking* | |
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| | | | Status | Comments |
| 8.1. The CO will codify its strategy of innovation work, among others, to serve as guidelines for newcomers, programme and project colleagues from other portfolios. It will be well connected with CO programmatic goals and results framework and will contain recommendations on sustainability mechanisms of innovative interventions. Interlinkages and roles of the three Labs will be articulated in the mentioned document. | By 31 December 2021 | Innovation Portfolio Officer | Initiated | |

Recommendation 9.



UNDP should reinforce its M&E system to track progress against well-defined outputs and outcomes and use results to inform regular discussions with the CO's Senior Management.

Based on issue-based theories of changes, UNDP should identify appropriate outcome level indicators to determine progress on the expected behavioural change (at individual or organizational level) to which different projects will contribute. Progress against key outcome indicators should inform regular discussion within the Senior Management Team. The CO should monitor with particular attention the success of pilot and innovation initiatives, even after project's completion, to derive lessons learned and inform possible scaling up. The CO should seek out the support of UNDP headquarters for training on project's design and monitoring, focusing on the quality of RRFs and the identification of appropriate tools and methodologies for data collection and reporting.

Management Response: Agreed



As of the beginning of 2020 the CO has a dedicated M&E officer, as an important step in consolidating the M&E function in the office. The office also works increasingly on reviewing its RBM approach and increasing the correlations between RBM and communication functions. The country office will discuss and design ways of reinforcing M&E system (institutional capacity; human resources, training programmes) with respective action plan developed. In new CPD 2021-2025, which will be developed based on the UNSDCF 2021-2025, lower level outcome indicators will be used. Through the development of the 2021-2025 CPD, a fully costed evaluation plan will be prepared with a broader focus on thematic and outcome evaluations. The country office will adhere to UNDP's new evaluation guidelines, which set a mandatory requirement of mid-term evaluations for all projects above \$5 million.

| Key Actions | Completion date | Responsible Unit(s) | Tracking* | |
|--|---------------------------|----------------------|-----------|----------|
| | | | Status | Comments |
| 9.1. The CO will discuss and design ways of reinforcing M&E system (institutional capacity; human resources, training programmes) with respective action plan developed. | By 30 December 2020 | Senior Management | Initiated | |
| 9.2. In new CPD 2021-2025, which will be developed based on the UNSDCF 2021-2025, lower level outcome indicators will be used. [N.B., Armenia CPD 2016-2020 was developed through broad consultative process and received positive feedback during the appraisal reviews, including for Results Framework]. | By 30 June 2020 | DRR, RBM Officer | Initiated | |
| 9.3. Through the development of 2021-2025 CPD Annex, Fully-Costed Evaluation Plan, increase thematic areas of commissioned evaluations to learn on interim results, transformational and behavioural changes towards determined outcomes. The CO will adhere to the UNDP new Evaluation Guidelines that set a mandatory requirement for mid-term evaluations for all projects above \$5 million. | By 31 December 2020 | DRR, RBM Officer | Initiated | |

^{*} Status of implementation is tracked electronically in the ERC database.

Annexes



Annexes to the report (listed below) are available on the website of the Independent Evaluation Office at: https://erc.undp.org/evaluations/detail/9895

- **Annex 1.** Terms of reference
- Annex 2. Country at a glance
- **Annex 3.** Country office at a glance
- Annex 4. Project list
- **Annex 5.** People consulted
- Annex 6. Documents consulted
- Annex 7. Summary of CPD indicators and status as reported by country office

ANNEXES 47

