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 decision-making, 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.

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.

**FIGURE 1: UNDP’s expenditure by thematic area**

<table>
<thead>
<tr>
<th>Thematic Area</th>
<th>Million (US$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Democratic Governance</td>
<td>19</td>
</tr>
<tr>
<td>Environment and Energy</td>
<td>9</td>
</tr>
<tr>
<td>Inclusive Growth and Sustainable Development</td>
<td>7</td>
</tr>
<tr>
<td>Gender Equality</td>
<td>0</td>
</tr>
</tbody>
</table>

**Recommendations**

- **RECOMMENDATION 1.** UNDP should develop its future programme interventions based on clear theories of change derived from its vision for Armenia.

- **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.