Integrated Rural Tourism Development Project
Final Evaluation Report

Altunyan Hasmik
Individual Consultant
12/13/2019
Contents
Abbreviations ...................................................................................................................................................... 2
1. Brief Description ......................................................................................................................................... 3
2. Objective and Methodology of the Project Evaluation.................................................................................. 3
3. Project Impact.............................................................................................................................................. 4
4. Cross Cutting Issues .................................................................................................................................. 13
5. Relevance, Effectiveness, Efficiency and Sustainability of the Project .......................................................... 13
6. Summary Impact and Recommendations .................................................................................................. 15
Annex 1. Results Framework ......................................................................................................................... 20
Annex 2 Project Activities................................................................................................................................ 22
Annex 3 List of Interviewed project beneficiaries and stakeholders................................................................. 24
Annex 4 Questions for face to face, semi-structured interviews of project beneficiaries................................... 25
Annex 5 TOR .................................................................................................................................................... 26
Annex 6 Management response ....................................................................................................................... 31
Abbreviations

CRM - Community Resource Management
DMO - Destination Management Organization
EU - European Union
FEST - Foundation for European Sustainable Tourism
ICC - Innovation Challenge Call
IRTD - Integrated Rural Tourism Development Project
LSG - Local self-governance body
MITT - Moscow international travel trade exhibition
NGO - Non-governmental organization
PM4SD - Project Management for Sustainable Development
PPP - Public Private Partnership
PR - Public Relations
R&D - Research and Development
RA MTAI - the Ministry of Territorial Administration and Infrastructure of the Republic of Armenia
RA - Republic of Armenia
SME DNC - Small and Medium Enterprise Development National Center
SMM - Social Media Marketing
TRM - Tourism Recourse Management
TTG - travel industry magazine
UNDP - United Nations Development Programme
USAID - United States Assistance for International Development
USD - United Stated dollars
WiLD - Women in Local Democracy
1. Brief Description

Integrated Rural Tourism Development (IRTD) Project (hereinafter “The Project”) is funded by the Government of the Russian Federation and implemented by UNDP in Armenia, in close partnership with the Ministry of Territorial Administration and Infrastructure. The overall project budget is USD 3 mln. The project is designed from September 2016 till December 2019.

The main expected outcome of the project is to improve Armenia’s competitiveness and to provide greater access for the people, especially vulnerable groups, to sustainable economic opportunities by 2020. The project has three main components:

1. Planning of sustainable integrated rural tourism
2. Increasing income level through diversification of tourism products and services in the community
3. Sustainable Destination Management

As stipulated in the project document, the main project partner is the Ministry of Territorial Administration and Infrastructure (ex RA MTAI) and the main project Beneficiary is the Tourism Committee under the Ministry of Economy of the Republic of Armenia.

2. Objective and Methodology of the Project Evaluation

The final evaluation of the Project is designed to measure impact, if already available at this early stage, and to assess achievements and provide recommendations upon the completion of the project. In particular, this external evaluation focuses on evaluating and learning from the project results and implementation process. The findings and recommendations of the evaluation will inform the future initiatives by UNDP Armenia, the Government of Armenia and the main stakeholders.

In this context, the evaluation assesses how the project has contributed towards its expected outcome of ‘intervention strategy for the development of rural tourism in Armenia with the objective of creating sustainable income-generating opportunities as supplemental income source to bring down the level of rural poverty, contribute to equal territorial development and shape conducive environment for rural development’ and mainly towards the support the Government’s efforts towards rural development through developing rural tourism by applying a holistic integrated approach.

The final evaluation assesses how the project achieved its goal of using the endogenous tourism assets of the community as a supplemental income source, supporting the communities to shape their identity as a tourism destination and to sustainably use and manage their assets through efficiently operating local networks, involving 60 rural areas all over the country targeting the communities with the highest but yet underused tourism potential in all the regions of Armenia.

Within the scope of this evaluation, The Project’s implementation in terms of its effectiveness, efficiency, appropriateness, relevance, impact and sustainability will be assessed. The specific objectives are:

1. To assess the achievement of stated project outcomes and outputs, considering the strengths and weakness of the project, and unexpected results.
2. To determine the overall efficiency in the utilization of resources in achieving results.
3. To assess the appropriateness of the design of the project and the implementation arrangements, including but not limited to the project modality, organizational structure, and coordination mechanisms set up to support the project.
4. To assess the extent to which the project has contributed to the creation of an enabling environment, and the extent to which this has helped shape effective government policies and programming on disaster management and risk reduction.
5. To assess the sustainability of results and provide recommendations for sustaining the benefits of the project and how to improve sustainability in future initiatives.
6. To assess the approach to capacity development and whether initiatives have contributed to sustainability.
7. To review the effectiveness of the gender mainstreaming strategy and partnership strategy.
8. To gain insights into the level of client satisfaction with the project. The clients include community and local government beneficiaries; national government partners and donors.
9. To identify best practices and lessons learned which can be replicated.

The core criteria to be considered in this evaluation are as follows:
- **Relevance**: the extent to which intended outputs and outcomes of the project are consistent with national and local policies and priorities and the needs of intended beneficiaries.
- **Appropriateness**: feasibility of the delivery method.
- **Effectiveness**: the extent to which the intended results have been achieved and whether opportunities created by the project were equally accessible for women and men.
- **Efficiency**: how economically resources or inputs (e.g., funds, expertise and time) were converted to results.
- **Sustainability**: the extent to which benefits of the project continue after external development assistance has withdrawn. This includes evaluating the extent to which relevant social, economic, political, institutional, and other conditions are present and, based on that assessment making projection about the national capacity to maintain, manage and ensure the development results in future.
- **Impact**: changes in human development and people’s wellbeing that are brought about by development initiatives, directly or indirectly, intended or unintended.

The evaluation is conducted mostly through a qualitative assessment method. The information is collected from **secondary and primary sources**. Secondary source of information included:
- The original Project Document and any subsequent work-plans.
- The main project reports which will include key budgetary information.
- Minutes and conclusions of steering committee meetings, technical team meetings, strategic planning meeting.
- Progress reports.
- Articles on project activities and main beneficiaries posted on internet.

Primary source of information included:
- Field visits and informal interviews with project beneficiaries;
- Semi-structured interviews with key project partners.
- Face-to-face meetings and discussions with the project implementation team.

3. **Project Impact**

As already stated in the section 1 of this document, the IRTD Project was focused mainly on development of rural tourism in Armenia with the objective to create sustainable income-generating opportunities as supplemental income source to bring down the level of rural poverty, contribute to equal territorial development and shape favorable environment for rural development. The main expected outcome of the project was to improve Armenia’s competitiveness, and to provide greater access for the people, especially vulnerable groups, to sustainable economic opportunities by 2020.

The following 5 indicators were defined to assess the achieved results at outcome level and the contribution of the Project to the RA Government’s and UNDP priorities:
- **Indicator 1.1**: Number and quality of policies to ensure decent work and an improved business environment in line with sustainable development principles. **Baseline**: Insufficient adequate policies **Target**: Policies improved: **End line**: Policies Improved (source: stakeholders’ interviews).
- **Indicator 1.4**: Unemployment and employment rates disaggregated by sex, age and regions, improved. **Baseline (2013)**:
  - unemployment rate: 16.2 unemployed- by sex- Male: 14.4, Female: 18.1; **Target (2020)**:
  - unemployment rate: 13 unemployed- by sex- Male: 12, Female: 15; **End line (2018)**:
unemployment rate: 17.7, unemployed- by sex - Male: 17.6, Female: 17.9 (source: [https://www.armstat.am](https://www.armstat.am))

- **Indicator 1.5:** Income level of rural population increased Baseline: Average monthly income per capita: AMD 41,514 (2013) Target: AMD 51,500 (2020) **End line:** AMD 62,127 as of 2016 (source: [https://www.armstat.am](https://www.armstat.am))

All these indicators are macro-level indicators and so are the baseline data. During the project lifecycle, numerous other projects with government or donor-funding were implemented to contribute to those same indicators, therefore in most of the cases even if value of the indicators were improved, attribution of these improvements solely to the Project impact is disputable. Moreover, in some cases there were no outputs or activities planned within the scope of the Project that directly could result in achieving of the targets of the above-mentioned outcome level indicators (e.g. for indicator 1.1). On the other hand, almost all the outputs and activities of the project were designed to contribute to creation of income generating opportunities and workplaces in the rural areas, therefore potentially could contribute to the improved values for the indicators 1.3; 1.4; 1.5. However, the project interventions could not be carried out in all the communities of the country, given the resources and time limitations, therefore these activities also could not have direct visible impact on macro level indicators like unemployment rates or poverty levels.

As it is clear from the above sections, the values of all outcome level indicators were improved more than envisaged, aside from the Indicator 1.4 - Unemployment rate. But even in this case the gender disaggregated data shows improvement in the sense of the gap between female and male unemployment has decreased.

Even if these changes cannot be attributed fully to the Project as was stated above, the below are the key facts that come to prove that the Project contributed to the positive change of the outcome level targets:

- UNDP has provided PM4SD expertise to the Ministry’s Tourism Committee for elaboration of the Country’s Tourism Development Strategy.
- The Project supported the State to strengthen both technical and legal capacities of the Tourism Committee of the Ministry of the RA to better manage the industry.
- The project has developed and introduced new replicable business models for diversification of tourism products and services in the communities, e.g. “Gastro Yards” and “Community Based Boutique Hotels”. For revealing and supporting the most creative and innovative business ideas the Project have designed the Innovation Challenge Call (ICC) and Start-Me-Up intervention strategies; as well as supported business entities within various PPP Projects. As a result, 68 new business entities were established (some still in progress), many existing B&B businesses improved their services and cost-efficiency, altogether creating around 421 workplaces in the targeted 60 dwellings as of November 2019;
- More than 100 private sector representatives and/or families expressed their intention to replicate the business models promoted by the project;
- The State has allocated 60mln AMD additional budget for promoting “Wine Yard” concept as a potential additional income source for small wine makers in the country.
- 6 of direct beneficiaries of completed business projects report 35% increase in income and exponential growth in number of customers. Some of the direct beneficiaries report 100% of their family income is from the business established with the support of the Project. Most of the projects however are just completed or still are pending and expect income generation starting from the next touristic season only.
- The Tourism Value Chain supported by the project creates equal opportunities for men and women employment in general. Particular attention was given by the Project to the business initiatives led by women, with that insuring the decreased gap in the women and men unemployment rates.
- The Tourism Committee of the RA Ministry of Economy Reached the project with a request to support in amendment of the RA Law on Tourism that the DMO Models developed by the project to be part of the new Law. With this purpose, in the reporting period the project recruited a legal company to work on the legislation amendment as support of the initiation.
**Output 1: Planning of sustainable integrated rural tourism.**

The objective of this output is to raise the accessibility and sustainable utilization of tourism assets of the community. The Achievement of this output was measured by 2 predefined indicators:

1.1 The number of Marzes Inventoried. **Target:** 10 Marzes. **End line:** 964 villages from all 10 Marzes.

1.2 The number of Integrated rural tourism development plans. **Target:** 60 Integrated tourism development plans. **End line:** 72 tourism development plans as of November 2019.

It was envisaged that the tourism assets of the community will be identified, assessed and prioritized for the further development by preliminary expert assessment and participatory planning mechanism, which will outline the vision and strategy for the rural tourism development in the community through wide consultation and participation of the local stakeholders.

**Activity 1.1 Assessment of local products and services attractiveness for the tourism market**

As was planned all the 964 villages of the country were inventoried and an electronic database was created. The database later was automated to allow mathematical comparison, sorting, filtering and selection of villages based on the scores across the defined set of criteria. This database, first, ensured the effectiveness and transparency in the process of selection of target villages. The comprehensiveness of the collected data and, on the bases of this collected data, the developed multifunction Tourism Resource Management (TRM) online platform, ensured strong bases not only for the selection of the target communities, but also for developing intervention strategies of the Project for each of the targeted communities. Moreover, TRM became a good source for stakeholders including, the government, donor organizations, private and public organizations in tourism, wine, agriculture and other sectors for informed decision making.

It is also worth to mention, that selection of the target villages was done after careful consideration of international experience as well as based on the long discussions and consultations with local private sector representatives and experts. As a result, 2 types of villages were involved: 1) Villages located close to the existing popular destinations and could offer value-added alternative services and products with short term usage potential; 2) New villages as new tourism destinations: villages with high potential to become a full day stay tourism destinations.

Clearly, these selection criteria allowed involving new communities and new rural households in the tourism value chains creating fertile soil for stimulating local economies with new business initiatives and increasing incomes of the population creating numerous new business and employment opportunities.

**Key Impact**

**On the bases of the database collected in 2017 and the developed TRM tool, within the scope of the IRTD project, a Community Resource Management (CRM) tool was developed for all country economic data collection and analyses. This database is an exceptionally valuable tool for the government for improved decision-making processes for various economic sectors of the country including agriculture, tourism as well as for other related fields like culture, vocational education, environment, gender issues, etc. It is agreed that the database will be quarterly updated by the RA Ministry of Territorial Administration and Infrastructure, for which the responsible staff is assigned within the ministry, Provincial Government and LGs. The CRM tool is programmed in a way to allow comparative analysis of the data.**

For a greater impact of this initiative, it is suggested that the periodically updated database is kept transparently open for donor organizations and development projects. Numerous projects start each year funded by EU, USAID, Various EU Member States, Government of Russia, etc., all of which spend a lot of time and monitory resources in carrying out the same type of research to serve as a baseline for their development initiatives. If the database will be available for the Donor-funded projects upon their request, these projects first of all could be developed in a more informed manner, then their inception phase could be for a shorter period and the saved resources could be directly invested in program-related interventions rather than researches and evaluations ensuring greater impact.
Activity 1.2 Participatory planning of integrated rural tourism development

During the Project, the team held about 70 meetings in the targeted Marzes and communities with local stakeholders, as well as organized steering committee meetings to support the projects’ concept and strategy development as well as their implementation processes. In addition, to the same purposes, 6 participatory multi-stakeholder coordination meetings conducted for planning rural tourism development. Within the Project establishment “Bridge” Network was initiated. This ensured proper cooperation with the related private sector representatives and, as a result, the tourism products developed by the Project were highly demanded and useful for the sector development overall. “Bridge” is a Voluntary partnership framework of private companies (including incoming tour operators and travel agencies, tourism associations, NGOs, Foundations, Media/Advertising Companies, BDS Providers) who came together and committed to support and advance the sustainable rural tourism development in Armenia through multi-stakeholder engagement and collective actions.

The overall mission of this network was to enhance the natural, cultural and business potential of rural destinations to generate socio-economic benefits for the local communities through the introduction of competitive rural tour products and services. Frequent meetings with various key stakeholders of the established Bridge Network were held within the course of the project. The participatory approach in integrated rural tourism development planning was the foundation of success for the project initiatives. Constructive cooperation, among the largest incoming tour operators with the rural tour product owners, was established, which was for a benefit for all involved parties. From one side the rural businesses enjoyed growing demand for the new rural tourism products without major investments in the promotion of their services, with that ensuring sustainability of the Project initiatives. The larger tour operators, in their turn, enhanced their attractiveness for their loyal customers being able to offer more diverse and creative tourism related destinations, products and services.

As a result, by the end of the year 2019, based on a participatory approach, 72 integrated rural tourism development plans were developed and implemented.

Key Impact:
The project developed more project concepts and designs than had to be implemented because of the participatory approaches adopted during the design and implementation phases. More ideas flowed and were captured by the Project team than the project could implement given the limitations of the project duration and resources. Therefore, some project concepts were developed in a participatory manner and are to be provided to the communities or relevant stakeholders for future implementation (e.g. Bjni Promenade street, the concept and design of which is completed by the Project and the implementation is for later to be implemented by the community; the Community based hotel in Drakhtik, the design of which is accomplished and will need fundraising, etc.).

The aim of establishing the Bridge Network by the Project was to ensure Private sector participation in development initiatives of the Project itself. The actual result, however, was far beyond this. The network became a unique and effective country platform and mediator for outreach and dialogue on issues related to the rural tourism development encouraging its members to develop joint initiatives and partnership projects.

“Bridge” is not a registered entity, doesn’t have any legal status and the timeframe of the network is identical with the project timeframe. The project partners and stakeholders from the private sector, however, found the Platform very useful tool to ensure the future growth of the sector. As a result, Ms. Syuzanna Azoyan, the President of the newly established Armenian Tourism Association, one of the new stakeholders of the project, expressed high interest to take over this initiative after the Project ends.

Output 2: Increasing income level through diversification of tourism products and services in the community

The objective of this output is to support the community to thrive as a tourism destination by diversification of services and developing high-quality products. Following indicators were to measure the achievements under this output:

2.1 Number of training courses. **Target: 125 End line: 62**
2.2 Number of people trained. **Target: 534 End line: 703**
2.3 Number of new enterprises established. **Target:** 67 **End line:** 68
2.4 Number of new job opportunities. **Target:** 151 **End line:** 421
2.5 Income increase. **Target:** 20% **End line:** 35% reported as of November 2019. Early to measure for the project overall as most of the businesses supported are newly established.
2.6 Rehabilitated community infrastructure. **Target:** 25 **End line:** 13
2.7 Rehabilitated extended tour spots infrastructure: **Target:** 35 **End line:** 14

Activities were planned to develop human resources through sector-specific training sessions (business management, food processing, sales, marketing, training local guides, etc.) which was aimed to help to address the knowledge gaps and prepare the local communities to effectively manage the tourism enterprises. Meanwhile, all the actors integrated with both production, service provision and management were to be trained in sustainable utilization of tourism assets and adoption of mechanisms to bring down the environmental impact of their activities. In addition, the project had to facilitate the access of the local tourism enterprises to seed financing through the loan mechanism of SME DNC.

**Activity 2.1 Capacity building for tourism startups**

During the project carried out a series of training sessions, workshops to enhance the human capital capacity in the targeted communities for start-up tourism businesses covering topics like:

- Strategic business development and business plan writing
- Wine production for the advance home-made wine producers
- Marketing in tourism
- Online marketing
- Project management for sustainable tourism development
- Sales
- Food sanitation and serving
- Menu development, menu calculations, table servicing, hygiene requirements, communication, etc.
- Strategic management and leadership
- Organizational Finance and Project Management
- Marketing, branding and intellectual property
- Entrepreneurship and innovation in creative industries
- Hospitality Management
- SMM and PR tools
- Communication and presentation skills

Additionally, the beneficiaries were provided with the mentoring services in sales and food provision servicing. A special agreement was made with the Ijevan Branch of Yerevan State University to open a training facility for the women interested in sewing and souvenirs production. The training facility started its operations in 2019.

Aside from exposing the direct beneficiaries of the project to various capacity building opportunities for a quick and direct impact on the newly established businesses in the sector, the Project found a more **profound and sustainable solution to address the issue of lack of human capacity in the tourism industry** for the long run. In Particular:

- In 2018, the Project introduced the internationally recognized certification of “Project Management for Sustainable Development” 2-level course. The Project opened an opportunity for Armenia to learn internationally recognized standards for sustainable tourism development. Foundation for European Sustainable Tourism (FEST) ([http://www.festfoundation.eu](http://www.festfoundation.eu)), accredited by APMG International and delivered by Jlag Europe, conducted series of Project Management for Sustainable Development PM4SD qualification online courses to enhance project management skills in the contribution for Armenia’s tourism industry. 21 participants (out of which 5 are representatives of the RA Government) accomplished the course and got an internationally recognized qualification. The Manual is translated into Armenian to involve more participants form the RA Government working in the sector.
- To ensure the sustainability of the capacity building initiatives of the project, regional universities were chosen to partner with. The partnership aimed at enhancing the capacities of these universities to become human capacity and business development hubs in the regions to support the long-term institutional development of the tourism industry. Tourism Research and development centers were
established on the bases of the regional universities to research, assess, support, develop, educate, link, and promote regional tourism development.

During the Project, overall 62 thematic workshops were conducted by the end of 2019 for 703 participants including representatives from the public and private sector, youth, women entrepreneurs, beneficiaries of newly established entities, “Bridge” network members, other interested parties.

**Beyond the expected results**
The Tourism Committee of the Ministry of Economy of Armenia requested UNDP to provide PM4SD expertise for the elaboration of the Country’s Tourism Development Strategy. At this moment the “Call of Action” is being prepared to be submitted for the Committee’s consideration.

**Activity 2.2 Facilitate access to local tourism startups to seed funding**
In the framework of the Project 60 villages all over Armenia was targeted to develop tourism products and services, with the objective of creating new sources of alternative income for the villagers. The selection of these villages was not a given fact at the time of the project launch. It had to be carried out in a participatory approach, within the short lifespan of the Project. The Project team did make the selection process as transparent and participatory as was possible. At the same time, the Project used professionally developed and agreed upon by all parties’ criteria and tools for the process. Partners from State institutions, public and private sector representatives were involved and contributed to this process. On the other hand, the frequent visits by the team members to the pre-selected and selected communities ensured involvement of local government and in general community members in the process, allowing to reveal the most creative and efficient business ideas, with a potential positive impact not only on the direct beneficiary but for the whole community as well.

However, the downside of the process was that it took longer time than was envisaged. In fact, in 2017 the selection of these target villages was still in the process. And only late in the year, the Project team identified experimental project ideas to be implemented in the following year, only after the approval of the project concepts by the Government. Meanwhile, to create a firm basis for the success of future business investments, the Project has started to build Human Capital in the targeted communities among youth and potential direct beneficiaries.

Only in 2018, the Project registered and launched Armenia Innovation Challenge Call (ICC) co-funding project (the model was tried in 2017, where only 3 ideas were selected and launched), which was designed to motivate public and private institutions to expand into regions and create job places in the villages. Within the ICC, the Project also promoted local communities, groups, public and private institutions to come up with the “Start Me-Up” creative and innovative ideas, which will be of benefit for the whole community in terms of attracting tourists and apply for funding. It was envisaged that the ICC projects will cover up to 60% (not more than 20,000 USD) of the project cost, whereas the beneficiary will invest from personal savings or loans in at least 40% of the needed capital.

In 2018-2019, via the project interventions, critical mass of successful and promising-successful businesses was created. As a result, the Project faced growing demand from the private and public sectors for promoting the business models developed by the Project (like gastro-yards, 60%-40% co-funding model, etc.). As of 22 November 2019, of local tourist startups have received grants as a seed funding and co-invested from other business financing sources like personal savings and loans. 37 guesthouses were provided with solar panels and water heaters by the project to guide them into a green economy and alternative revenue generation (cutting utility expenses by on average 50%).

Even though most of the business initiatives funded by the project were in late 2018 and early 2019, and most of these businesses are in their infancy phase, the meetings and interviews with the business owners revealed the impressive potential positive impact on the direct beneficiaries as well as on the communities in general. Most of the beneficiaries interviewed, report unexpected growing interest and progressing demand towards their services by tour agencies. Some report serving from 300-1000 guests per year. Some of them even calculated income increases from 35-100%. All the interviewed beneficiaries reported on their intention to further invest and expand their business capacities from their expected incomes. Other positive feedback by the
Project direct beneficiaries was related to the project team. According to them the Project Team provided invaluable facilitative and coaching support, walking hand in hand during each of their business development stage (starting from the development of the business idea, ending with building their high-end service products and human capital to manage that “wealth”) with that guaranteeing great achievements and sustainability of results.

Most of the beneficiaries reported that their businesses are already represented in the relevant tourism websites and that their Businesses were linked to many local tour agencies with the Project support. They found these links and marketing support very relevant and helpful for their business. Some of them even reported that as a result of these links, the number of their potential clients is growing faster than they are managing to supply. Nevertheless, some of the project beneficiaries interviewed were concerned about the marketing support provided by the Project, which according to them was not enough compared to their already built capacities. The studies of project interventions and from the discussions with the team members it was revealed that the project has a strategy for marketing support for all its beneficiaries equally. Some of the direct beneficiaries are not aware of the full package of awareness activities that the Project is implementing to support the promotion of these businesses. According to the project staff, for some businesses which are still in their infancy stage, over-promotion could be even devastating.

**Replication possibilities:**

Replication of business ideas was not envisaged by the Project; nevertheless over 100 potential beneficiaries have expressed their interest in replicating “gastro-yard” business models promoted by the businesses. As a response to these requests the Project team developed a guideline on the business models and posted on their website. According to the interviewed project stakeholders the project managed to create diversified and replicable tourism products in the targeted communities.

Another positive and unintended impact of the project was that as a result of the holistic adopted by the Project to promote wine routs in the country, the quality of wine produced by smallholders has increased. As a result, in cooperation with the “Vine and Wine Foundation of Armenia”, the project succeeded to raise AMD 60mln from the State budget for further support of small home-made wine producers and their inclusion in tourism wine routs of the country.

**Activity 2.3 Rehabilitation of community infrastructure**

The rehabilitation of community infrastructures also was carried out based on the co-funding approach. The planning of these projects was also based on a participatory approach involving local and national level stakeholders for ensuring ownership of the Project results by the community and hence, later the maintenance of the rehabilitated infrastructures. The project co-financed the renovation of village roads in Gargar, Hovk, and Ditavan, installed lighting in Bjni, build Kalavan Scientific and Adventure Tourism Center, etc. Most of the larger community infrastructure projects, like Ditavan community-based hotel, Chinchin community-based decentralized Hotel, etc. are still in progress, therefore the real impact of this Project Component is early to evaluate at this stage of the project. It is already clear that some of these project ideas will remain at the design stage (e.g. Bjni Promenade street, the road leading to Makaravnk, etc.) and will be submitted to the communities for future implementation due to lack of funding capacities of the communities as well as the limited time left till the Project end.

From the targeted 25, 13 community infrastructures rehabilitated. From the targeted 35, 14 of extended tour spots infrastructures were rehabilitated.

**Output 3: Sustainable Destination Management**

The overall objective of this component is to ensure the sustainability of rural tourism through establishing basic destination management mechanisms. The following indicators were set to measure the achievement of this component:

3.1 Number of local committees on sustainable destination management established. **Target: 60** **End line: 4**

3.2 Number of local authorities and stakeholders trained. **Target: 126** **End line: 82**

3.3 Number of online information sources about the destination. **Target: 1** **End line: 24**

3.4 Number of feature articles in guidebooks. **Target 94** **End line 161**
3.5 Number of training sessions for the local enterprises to promote their services and goods through ICT.  
**Target**: 55 **End line** 113

3.6 Number of Partnership Projects. **Target** 13 **End line**: 9

Within the scope of this output, it was envisaged to establish institutions to engage the local stakeholders and authorities into management and development of the community as a tourism destination. At the same time, UNDP was to build synergies between its upcoming projects planning to use big data and establish an up to date information center in Yerevan to promote the new tourism destinations ensuring the new destinations to market the tourism services through ICT tools.

**Activity 3.1 Establish an Integrated Rural Tourism Development Committee including the head of the community, members of Community Council and local stakeholders to ensure sustainable implementation of the tourism development plan of the community.**

In cooperation with the Center for Strategic Initiatives of Armenia and Tourism State Committee of Armenia the Project have developed 3 models of the DMO sustainable management in 2017 and submitted to the government for consideration:

1. DMO and PPP-entity within local government-funded by public and private partners
2. DMO—an independent company as a commercial organization licensed by the Tourism Committee;
3. DMO as an entity within the “Country Promotion” agency that will be established as a self-funded commercial organization from destination marketing fees and profit-making projects.

In 2018-2019 the project tested 2 DMO models. One of which was the village DMO Model which was piloted in Bjni given the existing signs of collective will among the local stakeholders. This collective will, however, did not transfer into action so far despite the Project’s continuous facilitative support and trials. Therefore, considering this failed trial, the Project did not replicate the model in the other 57 communities as was envisaged at the beginning of the Project. As an alternative, 4 Tourism R&D Centers were established to support the state with regional tourism development. These centers slowly but efficiently started to be involved in Marz tourism-related developments and are becoming a good link between public and private sector organizations at national and local levels.

The operation of these centers however still heavily depends on the Project facilitation and financial/fundraising support. Therefore, the Project team during the years 2018-2019 has put efforts in developing the strategy, legal status and defining directions of the R&D centers’ operations in a way that these Centers will not become competing for entity with the local private sector organizations instead will contribute the promotion of those businesses and the sector as a whole in their respective Marzes.

**Impact and sustainability of R&D Centers**

Instead of the targeted 57 community-based committees, the project established 4 R&D Centers that are designed to cover not only all the targeted 60 communities but also the whole Marz where they are established.

RA MTAI and Tavush Marzpetaran requested to support the R&D Centers in the development of business plans to attract investment in Tavush Marz. Within the scope of the Project, therefore in 2019 and Investment Block Coordinator of Tavush Marz R&D Center was hired under the direct supervision of Tavush Deputy Matzpet. It is agreed that in case of success the Government will incorporate the model in other Marzes.

Despite the uncertain sustainability of R&D Centers, due to their financial dependency on the Project, the key stakeholders find these Centers highly valuable for the future growth of the tourism sector. It is worth noting that The Tourism Committee of the RA Ministry of Economy has approached the Project with a request to support in amending the RA Law on Tourism in a way to make DMO Models as part of the new Law. This interest towards the newly established R&D Centers and stakeholders’ commitments create a good basis for the Centers to sustain beyond the Project lifespan if relevant solutions will be found for its sustainability.

**Activity 3.2 Train the committee members in sustainable destination management to coordinate the efforts between local stakeholders engaged in the tourism sector, as well as monitor and manage the implementation of the plan.**
The target of training 126 committee members and local stakeholders in 60 rural areas obviously could not be reached as these committees were not established. Instead, the Project has built the capacities of the R&D Centers, Youth that were involved as interns or could contribute to the Centers’ operations, or potentially could be hired by R&D Centers.

82 local authorities and stakeholders were trained on 62 thematic topics were organized in sustainable destination management allowing the trained staff members of R&D Centers to coordinate the efforts of the local stakeholders engaged in the tourism sector, as well as to monitor and manage the implementation plans.

**Activity 3.3 Promote the image of the communities as new destination areas**

The project website was the main tool to promote the image of the targeted communities and the tourism products and services created within the scope of the project. Additionally, 5 of online platforms were developed for the communities. These platforms were promoted on FB, YouTube, website, and Twitter. Individual FB pages were opened for each of the beneficiaries, on the other hand, these beneficiaries were linked to the existing touristic platforms.

The project team currently is a discussion the sustainability issue related to these 5 on-line platforms. What concerns to beneficiary FB pages or their links with the existing tourism platforms obviously must be managed by these beneficiaries, although up until now the Project team closely monitors and coaches the beneficiaries’ posts on their pages guiding them in promoting their businesses properly via on-line tools.

The team however still discusses how to make sure that the 5 on-line platforms and the Project website will sustain and be updated regularly, as they contain valuable information and promotional materials for the destinations supported by the project. One of the options discussed is to have the R&D Centers to take over these on-line tools. But it is still uncertain if this solution will work or not.

To promote the image of the selected communities as well as the country overall as a tourism destination, the Project has initiated two series of videos “Heroes of our Times” and “Beautiful Armenia” with Hermine Stepanyan with over 1mln views on Facebook. The videos were actively commented and shared by the viewers. Even if the development of similar videos will not be of a continuous nature after the project end, the already developed and aired videos will appear on search engines due to the involvement of celebrities like Hermine Stepanyan. After each new post of Ms. Stepanyan, the previously developed videos with her participation will appear as suggested materials for the viewers.

In addition, for the same market, within the scope of the Project various Article for famous tourism newspapers and journals like TTG and MITT were developed and printed in 2018, aiming at promoting the country image as a tourism destination.

Moreover, in 2019, the Project has got the opportunity to be published in Italian well known on-line platforms, where IRTD project activities were featured. This was an additional opportunity to make Armenia internationally recognizable.

**Activity 3.4 Publish a tourism guidebook to feature the involved communities.**

“Armenia” Polyglot Russian Guidebook was published jointly with the State Tourism Committee. It involved the products developed in the frames of the project and was distributed in the Russia for Russian Market in print. The guidebook is also available on-line.

**Activity 3.5 Organize various promotional activities to promote and raise recognition of rural communities as new destinations for both domestic and foreign tourists.**

To promote and raise recognition of rural communities as new destinations for both domestic and foreign tourists, the Project supported participation in 11 Local and in 3 International Exhibitions. 161 articles and posts were developed by the project and 9 Video Campaigns were carried out with impressive outreach.
4. Cross Cutting Issues

Most of the relevant cross-cutting issues have been adequately mainstreamed in the project design and during the implementation of its interventions.

**Gender equality** was considered as an integral part of all activities implemented by the Project. Particular attention was given to creating economic opportunities for women. For this purpose, in 2018 in Synergy with UNDP WiLD Project women economic empowerment project “ICC for Women Entrepreneurs was launched, as a result, 3 projects were selected for implementation. In general, the tourism Value Chains do provide equal economic opportunities for men and women. The gender-disaggregated data provided by the Project monitoring activities evidence that an equal number of jobs were created within the scope of the Project for men and women. Moreover, the capacity building initiatives of the Project were equally accessible for men and women in the targeted communities. In general, it should be noted that the tourism Value Chain Promotion does create equal economic opportunities for men and women to be involved as paid workers or as business owners.

**Environmental issues** related to tourism promotion in the communities were of potential concern for the Project. As it was described in section 3 of this document, the assets of all the communities in Armenia related to environment, culture and history were mapped, revealing not only the assets of the communities based on which the Project could build tourism promotion interventions but also have raised awareness on possible negative impact that the increasing number of visitors could have for example on the existing endemic, rare or endangered plants or animal species in the targeted communities. All the developed plans by the project were triangle form the sustainability viewpoint: economic, environmental and cultural heritage. In parallel with developing tourism products in the rural areas and growing number of incoming tourists, the Project worked directly with community members for raising awareness on the urgent and growing need of keeping the environment safe and clean.

**DRR Issues** also were carefully considered in the project especially whenever construction works were involved. The risks considered involved but were not limited to seismic, flooding, fire and other common risks for any construction projects. 2 team members in the project with a construction engineering background and an external evaluator were closely monitoring the quality of each of the construction projects. In cases when the beneficiary did not manage to meet the quality demands of the Project, either the problem was addressed with the Project additional funding or more time and coaching was provided to the beneficiary to solve the issue. In some cases, even the selected construction company was changed.

5. Relevance, Effectiveness, Efficiency and Sustainability of the Project

The Project's overall objectives were clearly defined in the project documents and at this stage, the targeted results were clearly set. Later Specific and Measurable targets for the defined outcome and output level indicators were set. Based on the long inventory assessment carried out for all 964 villages (rural areas) in the country and with the active involvement of local and national level stakeholders from the public and private sector the Project successfully developed several innovative and creative strategic approaches for implementation of all 3 components of the project. While doing so, however, the Project had to revise the target values of the indicators at the Project implementation designing stage. All of these coupled with the long duration for inventory and time-consuming participatory design of the interventions delayed some of the project interventions. This process, on one hand, ensured transparency and accountability of the Project, but on the other hand, it postponed the real assessable impact of most of the major interventions. As a result, major interventions related to income generation of the Project at this stage can only be assessed at forecast level, since most of the investments by the project were carried out late in 2018 and during 2019 so most of them are yet in progress and the real business operations will start only in 2020.
The impact of Component 3 related activities is also very hard to measure as only by mid-2018 the project was still testing DMO models to find the most appropriate and workable scheme. Ultimately the project in cooperation with its key partners has come up with the decision to establish R&D Centers but was left with extremely limited time for coaching these centers operations for ensured sustainability and success. The project also did not have sufficient time to carry out or facilitate the implementation of all designed community infrastructure rehabilitation projects.

Related to the use of the project resources, it should be noted that the funds were available for the project implementation on time. But the project has started only in September 2016, and therefore, from the total budget of $ 307 800 for that year, around $ 296 000 was carried forward to the years 2017-2019. Only around $11 800 was spent for some preparatory works including staff recruitment. Due to the delays in activity planning and implementation, only 61% of the budget for 2017 was spent. The delivery rate for this year also has been low because the project planning phase to a longer time to finalize the methodology of inventory, define village selection criteria, involve the private sector in project implementation and recruit the rest of the Project Team members. Even though during 2018 95% percent of the yearly budget was spent overall the delivery was 57%. This left sufficient funds for future planned interventions of the project. By the end of the project, 100% delivery of the budget and activities were achieved by the project.

One of the major risks that came true during the project was the assumption that the long inventory will postpone the project implementation. Not only had this risk come true, but also because of the “Velvet Revolution” in 2018, the change in the government officials additionally had its negative impact in terms of delaying the planned interventions and mounting uncertainty level.

Despite all these challenges the Project managed to make sustainable revolutionary changes in the Rural Tourism Sector and other related or unrelated economic sectors of the country. Few of those changes are:

- Introduction of innovative and creative business models open for use by all interested parties, including private investors and development organizations;
- Diversification of tourism products and services in rural areas and creating alternative income-generating opportunities and workplaces in the communities;
- Improving the quality of homemade food and wine in the country;
- Creating a wealth of verified baseline data on rural communities as a strong basis for informed decision-making processes by government officials and private investors;
- Building human capital at all levels;
- Introduction of a new business model like a community-based hostel and gastro yards
- Introduction of the internationally recognized certification in the tourism sector

Following key facts come to prove that Project was aligned with the government and UNDP priorities:

1. The evaluation revealed improvement in relevant outcome level indicators which were taken from the UNDP Country Program Results and Resources Framework including baseline and targets. As discussed under the Heading 3 of this document these results could not be attributed fully to the Project, however, the evidence shows the contribution of the project towards its goals.

2. The project worked in closed cooperation with other UNDP projects, exchanging information on a daily basis. In 2018 in Synergy with UNDP WiLD Project launched women economic empowerment project “ICC for Women Entrepreneurs, as a result, 3 projects were selected for implementation. Ditavan Community - Based Boutique Hotel (guesthouse cellar, bakery, restaurant) in v. Ditavan, RA Tavush Marz, the initiation is implemented together with another UNDP Project “Integrated Support to Rural Development” Russian Federation; another synergy to be mentioned is the co-funding of the Tourism R&D Centers by UNDP Project “Future Skills” and again funded by the RF.

3. Most of the Project initiatives were approved and endorsed by the government. Some as a result:
   a) The government has committed funds of 60 Mln AMD to replicate the model of gastro yards around the country in cooperation with Vine and Wine Foundation.
   b) The Tourism Committee of the RA Ministry of Economy has approached to the Project with a request to support in amending the RA Law on Tourism in a way to make DMO Models as part of the new Law.
c) The Tourism Committee of the Ministry of Economy of Armenia requested UNDP to provide PM4SD expertise for the elaboration of the Country’s Tourism Development Strategy.
d) State resources were allocated for co-funding the community infrastructure rehabilitation projects of UNDP.
e) On the bases of the database collected in 2017 and the developed TRM tool, within the scope of the IRTD project, a Community Resource Management (CRM) tool was developed for all country economic data collection and analyses with the request of the Ministry of Territorial Administration and Infrastructure of RA.

4. Many projects were implemented in cooperation with International Donor Organizations and Donor funded projects. These initiatives include but are not limited to:
a) In 2018, the Project in cooperation with GIZ and Young Wine Makers association selected the most promising beneficiaries from 4 marzes of Armenia to pilot the Wine Yard concept. Thus, beneficiaries were supported with the space design, construction, winemaking equipment, consulting and promotion.
b) The Project partnered with SME DNC PRP/USAID funded program to co-finance the development of Kalavan Scientific and Adventure Tourism Center in RA Gegharkunik Marz.

The Project team constantly studied and carefully considered the local contexts of targeted villages while designing its interventions. Those contexts proved to be very different from village to village, which as was reported by the Project team, made the project implementation even more challenging but at the same time motivating and interesting for the Project team.

The Project component leaders carried out proper pre and post monitoring of the projects and followed the implementation process ensuring that the contractual obligations from the side of beneficiary and UNDP are being delivered in a proper and timely manner. As a result, based on the monitoring results many of the pre-approved projects have been stopped before and during implementation phase, and for some of them the form of support was changed with, that ensuring sustainability and success of the respective interventions.

6. Summary Impact and Recommendations

The evaluation showed that the Project had a significant positive impact on the tourism sector of the country due to its highly professional and motivated team. The initial Project Document was written very vaguely and therefore could not guide properly the implementation process of the Project in a way to ensure achieving the envisaged results. Despite this, in most cases the Project team succeeded in introducing strategic solutions that brought a systemic change in the tourism sector of the country, creating fertile soil for the future growth of the sector. The observations showed that almost in all cases the Project team has prioritized sustainability upon quick wins, therefore, it is expected that the project impact will be more visible a year or two after the project ends. Nevertheless, even at this stage, there are many pieces of evidence that come to prove that very often the Project’s positive impact went beyond its envisaged results. Moreover, the impact was visible in many more communities and value chains than were targeted.

Implementation challenges:
1. Several factors delayed project implementation. These factors included but were not limited to:
   a. The Project Started Late in 2016, therefore the project activities, indicators, and budget for the year 2016 had to be revised right at the beginning of the project.
   b. The Project Document was written in a general manner, and during the implementation, the Project team had to come up with concrete strategic solutions for most of the interventions, which was time-consuming.
   c. Long inventory of the communities.
   d. “Velvet Revolution” in the country caused uncertainty and delayed many major initiatives of the project because of the delayed approvals by the relevant Ministries.

2. The target values of the Project indicators were changed during the project lifecycle (See Annex 1 Results Framework). On the one hand, this ensured the quality of the results. New and revised target values were put for the indicators appropriate for the new strategic solutions for the interventions. On the other hand, this created challenges in terms of project reporting and evaluation.
Summary Impact - Main Points

The **Outcome level indicators** were mostly achieved. Even though the attribution of these achievements exclusively to the Project is hard to prove; evidence shows the indisputable contribution of the Project interventions to the improved values of the outcome level indicators.

The **Output level indicators** were met with some exceptions, for which the project requested and got approval for a no-cost extension of 3 months. The Indicator # 2.5 Income increase (see annex 1 results chain) is not measured within the scope of this evaluation as most of the business initiatives supported by The Project are still in their infancy phase and the results will be visible only after 1-2 touristic seasons in the country. On the other hand, some of the indicators show even greater impact than was expected, e.g. the number of new job opportunities created was 451 instead of the envisaged 151; the number of local committees on sustainable destination management were 4 instead of 60, but the coverage was the communities of all 4 Provinces in the countries meaning several 100 communities instead of just the envisaged 60. Moreover, replication was not envisaged by the Project, but the observations show that many entrepreneurs are interested to replicate the business models promoted by the project.

Among the most outstanding achievements of the Project is the introduction of new business models based on which sustainable and replicable businesses were created in the tourism value chains, diversifying the tourism products and services available in the country and with that enhancing the country’s attractiveness as a tourism destination. The success of these business models was ensured through **cooperation with private sector organizations** starting from the idea development stage. The largest tour operators were involved to ensure that the new touristic services and products developed by the project in the rural areas respond to the urgent needs of the sector. Further, this newly established business proved to be successful to the extent that:
- More than 100 private sector representatives and/or families expressed their intention to replicate the business models promoted by the project;
- The State has allocated 60mln AMD additional budget for promoting “Wine Yard” and “Gastro Yard” concept as a potential additional income source for small winemakers in the country.

Even though as stated above, at this stage, it is not possible to measure the profitability of newly established businesses, and hence the economic impact of these businesses on the income levels of the involved families, the success of these initiatives is already obvious from the growing demand towards the services provided by these organizations. Moreover, from the growing number of people wanting to invest and replicate the business models promoted by the Project, we can surely expect the creation of new businesses in the tourism sector in the coming years with all its positive economic impact in the future.

**Recommendation # 1** Carry out a post-project monitoring to measure the real sustainable impact of the project on the target Marzes and on the targeted value chains.

Another noteworthy accomplishment of the project was the introduction of systemic and strategic solutions to the revealed problems of the tourism sector, as opposed to carrying out scattered activities with quick wins and short term impacts. This approach obviously delays the visible changes in the sector but ensures sustainable and steady economic growth beyond the Project’s lifecycle. The examples of such interventions include but are not limited to:
- On the bases of the database collected in 2017 and the developed TRM tool, within the scope of the IRTD project, a Community Resource Management (CRM) tool was developed for all country economic data collection and analyses. This database is an exceptionally valuable tool for the government for improved decision-making processes for various economic sectors of the country including agriculture, tourism as well as for other related fields like culture, vocational education, environment, gender issues, etc. It is agreed that the database will be quarterly updated by the Ministry of Territorial Administration and Infrastructure of RA, for which the responsible staff is assigned within the ministry, Provinicial Government and LGs. The CRM tool is programmed in a way to allow comparative analysis of the data.
- In 2018, the Project introduced the internationally recognized certification of “Project Management for Sustainable Development” 2-level course. The Project opened an opportunity for Armenia to learn internationally recognized standards for sustainable tourism development.
Sustainable Tourism (FEST) (http://www.festfoundation.eu), accredited by APMG International and delivered by Jlag Europe, conducted series of Project Management for Sustainable Development PM4SD qualification online courses to enhance project management skills in a contribution for Armenia’s tourism industry. Hence the Project has provided PM4SD expertise to the Ministry’s Tourism Committee for the elaboration of the Country’s Tourism Development Strategy.

- The Tourism Committee of the RA Ministry of Economy reached the project with a request to support in the amendment of the RA Law on Tourism that the DMO Models developed by the project to be part of the new Law. With this purpose, the Project recruited a local company to work on the legislation amendment as support of the initiation.
- The Project supported the State to strengthen both technical and legal capacities of the Tourism Committee of the RA Ministry of Economy to better manage the industry.
- Aside from exposing the direct beneficiaries of the project to various capacity building opportunities for a quick and direct impact on the newly established businesses in the sector, the Project found a more profound and sustainable solution to address the issue of lack of human capacity in the tourism industry for the long run. More specifically, to ensure the sustainability of the capacity building initiatives of the Project, regional universities were chosen to partner with. The partnership aimed at enhancing the capacities of these universities to become human capacity and business development hubs in the regions to support the long-term institutional development of the tourism industry. Tourism Research and Development Centers were established on the bases of the regional universities to research, assess, support, develop, educate, link, and promote regional tourism development.

Numerous projects start each year funded by EU, USAID, Various EU Member States, Government of Russia, etc., all of which spend a lot of time and monitory resources in carrying out the same type of research to serve as a baseline for their development initiatives. If the comprehensive database created within the scope of the Project on tourism assets of the country’s communities will be available for other donor-funded projects upon their request, these projects firstly could be developed in a more informed manner, then their inception phases could be for shorter period and the saved resources could be directly invested in program-related interventions rather than researches and evaluations, thus ensuring greater impact on the most vulnerable groups. From this perceptive the following recommendation is derived:

**Recommendation # 2 Keep visibly open periodically updated database for donor organizations and other sector development projects.**

Despite the uncertain sustainability of R&D Centers, due to their financial dependency on the Project, the key stakeholders find these Centers highly valuable for the future growth of the tourism sector. It is worth noting that The Tourism Committee of the RA Ministry of Economy has approached to the Project with a request to support in amending the RA Law on Tourism in a way to make DMO Models as part of the new Law. This interest towards the newly established R&D Centers and stakeholders’ commitments creates a good basis for the Centers to sustain beyond the Project lifecycle if relevant solutions will be found for its sustainability. The project team currently is looking for solutions to ensure the sustainability of these centers.

Another major accomplishment of the project was that in parallel with creating quite a few new and diversified tourism products and services providing businesses within the country, the Project managed to bring the country to a new level of recognition as a tourism destination. With that, the Project aimed to contribute to having both an increased number of incoming and internal touristic flows within the country, as well as a growing number of repeat tourists who will consider new destinations in the country or new services and products. For these purposes, the project carried out a series of powerful and targeted marketing and promotion campaigns with impressive coverage aimed at:
1. Promoting the individual businesses and their new and creative tourism products and services in the local and international markets;
2. Promoting the country as a tourism destination in international markets, with special stress on incoming tourists from Russia.

**Recommendation # 4** To improve the reporting on the Project achievements and impact, to add reporting on Marketing and Promotion related interventions separately from the Project related visibility activities.

**Transparency and participatory approach** in Project planning and implementation phases conditioned the significant positive impact of the project on the tourism sector of the country.

The Bridge Network was established by the Project with the main purpose to ensure Private sector participation in development initiatives of the Project itself. The actual result, however, was far beyond this. The network became a unique and effective country platform and mediator for outreach and dialogue on issues related to rural tourism development encouraging its members to develop joint initiatives and partnership projects. “Bridge” doesn’t have any legal status and the timeframe of the Network was planned to be identical with the project timeframe. The project partners and stakeholders from the private sector, however, found the Platform a very useful tool to ensure the future growth of the sector.

Thus, Ms. Syuzanna Azoyan, the President of the newly established Armenian Tourism Association, one of the new stakeholders of the project, expressed high interest to take over this initiative after the Project ends.

The project developed more project concepts and designs than had to be implemented because of the participatory approaches adopted during the design and implementation phases. More ideas flowed and were captured by the Project team than the project could implement given the limitations of the project duration and resources. Therefore, some project concepts were developed in a participatory manner and are to be provided to the communities or relevant stakeholders for future implementation (e.g. Bjni Promenade street, the concept and design of which is completed by the Project and the implementation is for later to be implemented by the community; the Community based hotel in Drakhtik, the design of which is accomplished and will need fundraising, etc.).

**Recommendation # 5** All project operational principles to be shared by the project as a success story with its key stakeholders and further operations of this network should be promoted for continuous development of the sector.

Most of the project stakeholders and beneficiaries interviewed stated, as well as the observations of the project interventions showed that the project introduced a wealth of innovative business ideas and solutions for various systemic problems in the tourism value chains. Most of the project interventions are just starting to show visible results. The country promotion-related interventions have increased interest in the country and its separate rural areas as an interesting tourism destination, which will inevitably bring more flows of tourists to the country. On the other hand, locally created businesses that are offering tourism-related products and services will start serving the growing demand in the coming touristic seasons, which will obviously result in increased income and hence increased the number of rural families will show interest in replicating those business models.

**Recommendation # 6** Design and fundraise for a follow up Project in tourism sector, involving the current professional, enthusiastic and motivated project team as well as the interested stakeholders from the Bridge Network.
All of this coupled with the fact that tourism is a priority sector for the Armenian economy and has a high potential for contributing to the growth of other economic sectors of the country, it is obvious that there is a need for a future project to support the growth of the sector. This will allow building the new project interventions on the wealth of experience from the IRTD project and to coach the replication process of the introduced successful business models. At the same time, the approach will ensure the inclusion of the poor and most vulnerable groups in the targeted sector in a way that creates larger-scale, lasting benefits for the private sector companies and the whole sector. Please find information related to Making Markets Work approach on https://www.springfieldcentre.com/.

Recommendation # 7 Design new Project based on “Market System Change” development approach which will allow to build the new project interventions on the wealth of experience from IRTD project and to coach replication process of the introduced successful business models.
Annex 1. Results Framework

| Intended Outcome as stated in the UNDAF/Country [or Global/Regional] Programme Results and Resource Framework: |
| OUTCOME 1. By 2020, Armenia’s competitiveness is improved and people, especially vulnerable groups, have greater access to sustainable economic opportunities |

| Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets: |
| Indicator 1.1: Number and quality of policies to ensure decent work and an improved business environment in line with sustainable development principles. Base line: Insufficient adequate policies Target: Policies improved |
| Indicator 1.5: Income level of rural population increased Base line: Average monthly income per capita: AMD 41,514 (2013) Target: AMD 51,500 (2020) |

| Applicable Output(s) from the UNDP Strategic Plan: |
| OUTPUT 1.1. Local capacities strengthened to develop and implement innovative and diversified income-generating practices that are sustainable and employment and livelihood intensive targeting most vulnerable groups. |

| Project title and Atlas Project Number: Integrated Rural Tourism development |

<table>
<thead>
<tr>
<th>EXPECTED OUTCOMES</th>
<th>OUTPUT INDICATORS</th>
<th>BASELINE Value</th>
<th>Target</th>
<th>Revised Target</th>
<th>Actual Value</th>
<th>Target</th>
<th>Revised Target</th>
<th>Actual Value</th>
<th>Target</th>
<th>Revised Target</th>
<th>Actual Value</th>
<th>Target</th>
<th>Revised Target</th>
<th>Actual Value</th>
<th>Status an notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output 1 Planning of sustainable integrated rural tourism.</td>
<td>1.1 Number of Marzes inventoried</td>
<td>0 0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>2</td>
<td>10</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>3</td>
<td>0</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td>1.2 Number of integrated rural tourism development plans.</td>
<td>0</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>25</td>
<td>12</td>
<td>7</td>
<td>20</td>
<td>30</td>
<td>44</td>
<td>5</td>
<td>18</td>
<td>21</td>
<td>60</td>
</tr>
<tr>
<td>Output 2 Increased income through diversification of tourism products and services in the community.</td>
<td>2.1 Number of training courses.</td>
<td>0</td>
<td>30</td>
<td>0</td>
<td>0</td>
<td>75</td>
<td>32</td>
<td>6</td>
<td>60</td>
<td>58</td>
<td>21</td>
<td>15</td>
<td>35</td>
<td>35</td>
<td>125</td>
</tr>
<tr>
<td></td>
<td>2.2 Number of people trained</td>
<td>0</td>
<td>150</td>
<td>0</td>
<td>0</td>
<td>375</td>
<td>110</td>
<td>91</td>
<td>300</td>
<td>259</td>
<td>206</td>
<td>75</td>
<td>165</td>
<td>406</td>
<td>534</td>
</tr>
<tr>
<td></td>
<td>2.3 Number of new enterprises established</td>
<td>0</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>50</td>
<td>13</td>
<td>4</td>
<td>40</td>
<td>34</td>
<td>30</td>
<td>10</td>
<td>20</td>
<td>34</td>
<td>67</td>
</tr>
<tr>
<td></td>
<td>2.4 Number of new job opportunities</td>
<td>0</td>
<td>100</td>
<td>0</td>
<td>0</td>
<td>250</td>
<td>27</td>
<td>17</td>
<td>200</td>
<td>74</td>
<td>184</td>
<td>50</td>
<td>50</td>
<td>220</td>
<td>151</td>
</tr>
<tr>
<td></td>
<td>2.5 Income increase</td>
<td>0</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>38%</td>
</tr>
<tr>
<td></td>
<td>2.6 Rehabilitated community infrastructure</td>
<td>0</td>
<td>5</td>
<td>0</td>
<td>0</td>
<td>25</td>
<td>6</td>
<td>2</td>
<td>20</td>
<td>12</td>
<td>4</td>
<td>10</td>
<td>7</td>
<td>7</td>
<td>25</td>
</tr>
<tr>
<td>Output 3 Sustainable destination management.</td>
<td>2.7 Rehabilitated extended tour spots infrastructure</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>6</td>
<td>3</td>
<td>0</td>
<td>18</td>
<td>4</td>
<td>0</td>
<td>11</td>
<td>7</td>
<td>35</td>
</tr>
<tr>
<td>------------------------------------------------</td>
<td>--------------------------------------------------</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>3.1 Number of local committees on sustainable destination management established.</td>
<td>0</td>
<td>10</td>
<td>0</td>
<td>0</td>
<td>25</td>
<td>12</td>
<td>2</td>
<td>20</td>
<td>30</td>
<td>2</td>
<td>5</td>
<td>18</td>
<td>0</td>
<td>60</td>
<td>4&lt;sup&gt;4&lt;/sup&gt;</td>
</tr>
<tr>
<td>3.2 Number of local authorities and stakeholders trained.</td>
<td>0</td>
<td>100</td>
<td>0</td>
<td>0</td>
<td>250</td>
<td>30</td>
<td>2</td>
<td>200</td>
<td>60</td>
<td>22</td>
<td>50</td>
<td>36</td>
<td>58</td>
<td>126</td>
<td>82</td>
</tr>
<tr>
<td>3.3 Number of online information sources about the destination.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>1</td>
<td>8</td>
<td>0</td>
<td>0</td>
<td>15</td>
<td>4</td>
<td>24</td>
</tr>
<tr>
<td>3.4 Number of feature articles in guidebooks.</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>12</td>
<td>17</td>
<td>55</td>
<td>30</td>
<td>63</td>
<td>5</td>
<td>52</td>
<td>81</td>
<td>94</td>
<td>200</td>
</tr>
<tr>
<td>3.5 Number of trainings for the local enterprises to promote their services and goods through ICT.</td>
<td>0</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>50</td>
<td>30</td>
<td>53</td>
<td>40</td>
<td>15</td>
<td>10</td>
<td>10</td>
<td>10</td>
<td>50</td>
<td>55</td>
<td>113</td>
</tr>
<tr>
<td>3.6 Number of partnership projects initiated</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>4</td>
<td>3</td>
<td>0</td>
<td>6</td>
<td>4</td>
<td>0</td>
<td>3</td>
<td>2</td>
<td>13</td>
<td>10&lt;sup&gt;7&lt;/sup&gt;</td>
</tr>
</tbody>
</table>

---

1 Updated as of 25 December 2019
2 More sustainable solution was found to address the issues related to human capital. In addition, despite the number of trainings conducted were less than planned the covered topics and audience were more than planned.
3 While some of the projects at this point of time are still in progress, some will remain at design stage and will be submitted to the communities for further implementation.
4 Some of the planned designs remained on paper due to expensiveness, but the designs are transferred to appropriate institutions for further considerations.
5 See 3.
6 This was agreed with the Project SCMs
7 While the actual number of partnership projects initiated within the scope of this Project was less than was envisaged, the “Bridge” network and R&D Centers created by the Project facilitation and a good basis for further synergies created between other development projects, as well as between the private and public sector representatives.
<table>
<thead>
<tr>
<th>Annex 2 Project Activities</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Project Components</strong></td>
</tr>
<tr>
<td><strong>1. Planning of sustainable integrated rural tourism</strong>- The tourism assets of the community will be identified, assessed and prioritized for the further development by preliminary expert assessment and participatory planning mechanism, which will outline the vision and strategy for the rural tourism development in the community through wide consultation and participation of the local stakeholders.</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>2. Increasing income level through diversification of tourism products and services in the community</strong>- Developing human resources through sector-specific trainings (business management, food processing, sales, marketing, training local guides, etc.) will help to address the knowledge gaps and prepare the local communities to effectively manage the tourism enterprises. Meanwhile all the actors integrated in both production, service provision and management will be trained in sustainable utilization of tourism assets and adoption of mechanisms to bring down the environmental impact of their activities. In addition, the project will facilitate the access of the local tourism enterprises to seed financing through the loan mechanism of SME DNC. The envisaged activities under this component are:</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>3. Sustainable Destination Management</strong>- Establishing institutions to engage the local stakeholders and authorities into management and development of the community as a tourism destination. Meanwhile UNDP will build synergies between its upcoming projects planning to use big data and establish an up to date</td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>
information center in Yerevan to promote the new tourism destinations. In addition, the project will help the new destinations to market the tourism services through ICT tools. The envisaged activities under this component are:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>a.</td>
<td>Establish a cluster of rural communities to coordinate tourism development strategy and related activities.</td>
</tr>
<tr>
<td>b.</td>
<td>Promote image of the communities as new destination areas. An online platform will be developed to provide information about the full package of attractions and tourism services available in the communities. Meanwhile the webpage will offer the visitors different circuits linking several destinations and providing a variety of experience to the tourists. The local tourism startups will get trainings to use ICT for the promotion of their services and products.</td>
</tr>
<tr>
<td>c.</td>
<td>Publish a tourism guidebook to feature the involved communities.</td>
</tr>
<tr>
<td>d.</td>
<td>Organize various promotional activities to promote and raise recognition of rural communities as new destinations for both domestic and foreign tourists. These include visits and interactions with tour agencies, participation in specialized promo-events /exhibitions both at home and abroad, including Russia, media campaigns etc.</td>
</tr>
</tbody>
</table>

90 of beneficiaries linked to existing touristic platforms. “Armenia” Polyglot Russian Guidebook was published jointly with the State Tourism Committee. It involved the products developed in the frames of the project. It was distributed in Russia for Russian Market in print and on-line. 11 of Exhibitions Home and 3 abroad 161 articles and posts + 9 Video Campaigns (summary of 6 video campaign attached separately)
Annex 3 List of Interviewed project beneficiaries and stakeholders

1. Armen Minasyan – Project Beneficiary, owner of Qamancha Gastro Yard, Ashtarak, Aragatsotn
2. Sedrak Yeganyan and Nelli Janjapanyan – Project Beneficiaries, Representatives of Yeganyan’s Wine Yard, Ashtarak, Aragatsotn
3. Garik Vagharshyan – Project Beneficiary, owner of Vagharsyan Garden, Saghmosavan, Aragatsotn
4. Ashot Khachatryan – Project Beneficiary, owner of Small Museum and Gastro Spot, Bjni, Kotayk
5. Andranik Khachatryan - Project Beneficiary, owner of Pottery Center, Bjni, Kotayk
6. Karapet Karapetyan - Project Beneficiary, owner of Mineral water, Bjni, Kotayk
7. Hovsep Ghalachyan - Project Beneficiary, owner of Ashtarakats Gastro Yard, Ashtarak, Aragatsotn
8. Kristine Yeghiazaryan - Project Beneficiary, representative of Byurakan Wine Yard, Byurakan Aragatsotn
9. Gagik Khachatryan - Project Beneficiary, owner of B&B, Byurakan Aragatsotn
11. Karine Baghdasaryan - Head of Marketing and PR, Vine and Wine Foundation
12. Syuzanna Azoyan - Chair of the Armenian Tourism Association
13. IRTD Project Team Members
Annex 4 Questions for face to face, semi-structured interviews of project beneficiaries.

Name of the Interviewee:
Role in the Project:
Date of the interview:
Location of the Interview:
Contacts (including province and community):

1. Please describe your cooperation with the Project.
2. Please list the Project initiatives to which you were part of (community-wide initiatives, trainings, provision of support to your business, marketing activities etc.)
3. If you have participated to trainings, please describe in detail what were the topics of the trainings and if you find them relevant to your business needs. Please state if you have used any of the advice/knowledge received during the training in your business.
4. If you were supported in enhancing the quality of your tourism related services or introducing new ones, please describe in detail what exact support did you get and if that support was relevant to your business needs. Please state what was the project contribution and what was your own investments.
5. Please describe how your community have benefited from the project initiatives.
6. Did you notice/register increase in number of tourists to your communities connected with the project activities?
7. Did you register increase in number of customers using your new tourism related services connected with the project support? If yes, please state if you have noticed increase in number of visitors from a specific country.
8. Did you register increase in profits/turnover attributed to the Project support?
9. Are you aware of the promotion activities carried out by the Project to enhance the position of Republic of Armenia as a tourism destination. Do you think these initiatives are for the benefit of your community and your business?
10. Are you aware of the promotion activities carried out by the Project to enhance the position of your community as a touristic destination.
11. Are you aware of the promotion activities carried out by the Project aimed at supporting your business as a tourism related service provider (on-line promotion tools, advertising on mass media etc.).
12. How do you think your community benefits from your business success?
13. Do you think that increase in number of tourists to your community can have any kind of adverse effects on the community life (destroying environmental resources (putting stress on local land use and can lead to soil erosion, increased pollution, natural habitat loss, and more pressure on endangered species, etc.), or adverse economic effect like increasing prices of local goods due to the enhanced demand, etc.). How do you think your community is prepared for increased number of visitors? Do you have any strategy as a business to support your community in mitigating the potential environmental risks from the increased number of visitors?
**TERMS OF REFERENCE**

**Job title:** National Consultant on Project Evaluation

**Project title:** Integrated Rural Tourism Development

**Contract modality:** Individual Contract (IC)

**Duration:** 28 October - 29 November 2019 (20 working days)

**Duty station:** Yerevan, Armenia

**Background:**

**Project budget:** USD 3,000,000

The project offers an intervention strategy for the development of rural tourism in Armenia with the objective of creating sustainable income-generating opportunities as supplemental income source to reduce the level of rural poverty, contribute to equal territorial development and shape conducive environment for rural development. The project has three main components:

1. **Planning of sustainable integrated rural tourism** - The tourism assets of the community will be identified, assessed and prioritized for the further development by preliminary expert assessment and participatory planning mechanism, which will outline the vision and strategy for the rural tourism development in the community through wide consultation and participation of the local stakeholders.

2. **Increasing income level through diversification of tourism products and services in the community** - Developing human resources through sector-specific trainings (business management, food processing, sales, marketing, training local guides, etc.) will help to address the knowledge gaps and prepare the local communities to effectively manage the tourism enterprises. Meanwhile all the actors integrated in both production, service provision and management will be trained in sustainable utilization of tourism assets and adoption of mechanisms to bring down the environmental impact of their activities. In addition, the project will facilitate the access of the local tourism enterprises to seed financing through the loan mechanism of SME DNC.

3. **Sustainable Destination Management** - Establishing institutions to engage the local stakeholders and authorities into management and development of the community as a tourism destination. Meanwhile UNDP will build synergies between its upcoming projects planning to use big data and establish an up to date information center in Yerevan to promote the new tourism destinations. In addition, the project will help the new destinations to market the tourism services through ICT tools.

**Objective of Assignment:**

The final evaluation of the Project is designed to measure impact, if already available at this early stage, and to assess achievements and provide recommendations upon the completion of the project. In particular, this external evaluation will focus on evaluating and learning from the project results and lessons throughout the project implementation. The findings and recommendations of the evaluation will inform the future initiatives by UNDP Armenia, the Government of Armenia and the main stakeholders.

In this context, the evaluation will assess how the project has contributed towards its expected outcome of ‘intervention strategy for the development of rural tourism in Armenia with the objective of creating sustainable income-generating opportunities as supplemental income source to bring down the level of rural poverty, contribute to equal territorial development and shape conducive environment for rural development’ and mainly towards the support the Government’s efforts towards rural development through developing rural tourism by applying a holistic integrated approach.

The final evaluation will assess how the project achieved its goal of to use the endogenous tourism assets of the community as a supplemental income source, the support level to the communities to shape their identity as a tourism destination and to sustainably use and manage their assets through efficiently operating local networks, the involvement of 60 rural areas all over the country targeting the communities with the highest but yet underused tourism potential in all the regions of Armenia.

The results and recommendations will be used by UNDP broadly and by UNDP in Armenia in particular as a basis for developing future tourism development and interventions at the national and local levels, in view of the continued cooperation with the Government of Armenia and the main stakeholders.

The independent external evaluation will be conducted by an independent expert. The evaluation will assess the relevance, efficiency, and effectiveness of the project and will provide recommendations regarding the impact of the project. As stipulated in the project document the main stakeholders and, partners of the project are Ministry of Territorial Administration and Infrastructure (ex RA MTAD) and Senior Beneficiary is the Tourism Committee under the Ministry of Economy of the Republic of Armenia.
Scope of work
In accordance with UNDP evaluation guidelines, the evaluation will assess the project’s implementation in terms of its effectiveness, efficiency, appropriateness, relevance, impact and sustainability. The specific objectives are:

1. To assess the achievement of stated project outcomes and outputs, considering the strengths and weaknesses of the project, and unexpected results.
2. To determine the overall efficiency in the utilization of resources in achieving results.
3. To assess the appropriateness of the design of the project and the implementation arrangements, including but not limited to the project modality, organizational structure, and coordination mechanisms set up to support the project.
4. To assess the extent to which the project has contributed to the creation of an enabling environment, and the extent to which this has helped shape effective government policies and programming on disaster management and risk reduction.
5. To assess the sustainability of results and provide recommendations for sustaining the benefits of the project and how to improve sustainability in future initiatives.
6. To assess the approach to capacity development and whether initiatives have contributed to sustainability.
7. To review the effectiveness of the gender mainstreaming strategy and partnership strategy.
8. To gain insights into the level of client satisfaction with the project. The clients include community and local government beneficiaries, national government partners and donors.
9. To identify best practices and lessons learned which can be replicated.

The core criteria to be considered in this evaluation are as follows:

- **Relevance**: the extent to which intended outputs and outcomes of the project are consistent with national and local policies and priorities and the needs of intended beneficiaries.
- **Appropriateness**: feasibility of the delivery method.
- **Effectiveness**: the extent to which the intended results have been achieved and whether opportunities created by the project were equally accessible for women and men.
- **Efficiency**: how economically resources or inputs (e.g., funds, expertise and time) were converted to results.
- **Sustainability**: the extent to which benefits of the project continue after external development assistance has withdrawn. This includes evaluating the extent to which relevant social, economic, political, institutional, and other conditions are present and, based on that assessment making projection about the national capacity to maintain, manage and ensure the development results in future.
- **Impact**: changes in human development and people’s wellbeing that are brought about by development initiatives, directly or indirectly, intended or unintended.

**EVALUATION CRITERIA AND KEY EVALUATION QUESTIONS**
In accordance with UNDP evaluation guidelines, specific questions related to each of criteria can include the following:

**Relevance**: evaluate the pertinence of project objectives and purposes in relation to the project expected results (impact), target groups, direct and indirect beneficiaries.

1. What is the present level of relevance of the project?
2. Are the project overall objectives consistent with, and supportive of Partner Government policies?
3. Does the project still respond to the needs of the key partners?
4. Are the project objectives and results clear and logical, and do they address clearly identified needs?
5. Are there suitable and informative targets, e.g. are they Specific, Measurable, Achievable, Realistic and Time-bound (SMART)?
6. Are the activities planned appropriately to achieve output(s) and whether the output(s) lead to the expected project outcome?
7. Is the current design sufficiently supported by all stakeholders?
8. Have key stakeholders been involved in the design process?
9. Are coordination, management and financing arrangements clearly defined and do they support institutional strengthening and local ownership?
10. Are the objectives clearly understood by the project partners?
11. If applicable: How well has the project design been adapted to make it more relevant? Was it straightforward to do contractually?
12. Have the relevant cross-cutting issues (environment, gender, human rights and governance, donor coordination or others) been adequately mainstreamed in the project design?
13. Was the project aligned with government and UNDP priorities?
14. Was the project appropriate to the local context?

**Effectiveness**: evaluate project effectiveness and to what extent has the project produced its desired objectives.

---


---
1. How well is the project achieving its planned results?
2. Have the planned results to date been achieved?
3. Are the targets for the project appropriate and are they being reported against?
4. What is the quality of the results/services available?
5. Are there any factors which prevent target groups accessing the results/services?
6. To what extent has the project adapted or is able to adapt to changing external conditions (risks and assumptions) in order to ensure benefits for the target groups?
7. Are the risks and assumptions holding true? Are risk management arrangements in place?
8. To what extent are unplanned positive effects contributing to results produced/services provided?

**Efficiency:** evaluate to what degree have resources been optimally used during project implementation, and has the project achieved satisfactory level of cost effectiveness.

1. How well are inputs/resources being managed?
2. To what degree are inputs provided/available on time to implement activities from all parties involved?
3. To what degree are inputs provided/available at planned cost (or lower than planned), from all parties involved?
4. Are project resources managed in a transparent and accountable manner?
5. Are all contractual procedures clearly understood and do they facilitate the implementation of the project?
6. How well is the implementation of activities managed?
7. Is an activity schedule (or work plan) and resource schedule available and used by the project management and other relevant parties?
8. To what extent are activities implemented as scheduled? If there are delays how can they be rectified?
9. Are funds committed and spent in line with the implementation timescale? If not, why not?
10. How well are activities monitored by the project and are corrective measures taken if required?
11. If appropriate, how flexible is the project in adapting to changing needs?
12. If appropriate how does the project coordinate with other similar interventions to encourage synergy and avoid overlaps?
13. How well are outputs achieved?
14. Have all planned outputs been delivered to date? And in a logical sequence?
15. What is the quality of outputs to date?
16. Are the outputs achieved likely to contribute to the intended results?
17. Are they correctly reflected through the targets?
18. Do the inter-institutional structures e.g. steering committees, technical team meeting and monitoring systems, allow efficient project implementation?
19. Have all partners been able to provide their financial and/or other contributions?

**Sustainability:** evaluate the contribution to sustainability of benefit streams (to what extent benefits will continue after the life of the project).

1. Is sustainability an integral part of the design i.e. is there a phase out/hand over strategy?
2. Is the sustainability strategy fully understood by the partners?
3. If the services/results have to be supported institutionally, are funds likely to be made available? If so, by whom?
4. Are the services/results affordable for the key partners at the completion of project?
5. What is the level of ownership of the project by key partners and will it continue after the end of external support?
6. How far the project is embedded in local structures?
7. To what extent are relevant key partners actively involved in decision-making concerning project orientation and implementation?
8. What is the likelihood that key partners will continue to make use of relevant results?
9. Do the key partners have any plans to continue delivering the stream of benefits and if so, are they likely to materialise?
10. What is the level of policy support provided and the degree of interaction between project and policy level?
11. What support has been provided from the relevant national, sectoral and budgetary policies?
12. Do changes in government policies and priorities affect the project and how well is it adapting in terms of long-term needs for support?
13. Are the material, services and equipment support likely to continue after the project has finished?
14. How well is the project contributing to institutional and management capacity?
15. What lessons can be drawn from the coordination efforts and working arrangements between the project team, its counterparts/beneficiaries, and partner organizations?

**Impact:** evaluate the project impact, if available at this early stage.

1. What are the direct impact prospects of the project at overall objective level?
2. What, if any impacts are already apparent?
3. What impacts appear likely?
4. Are the targets realistic and are they likely to be met?
5. Are any external factors likely to jeopardize the project’s direct impact?
6. To what extent does/will the project have any indirect positive and/or negative impacts? (e.g., social, cultural, gender, economic)
7. Have there been/will there be any unplanned positive impacts on the planned key partners or other non-targeted communities arising from the project? How did this affect the impact?
8. Did the project take timely measures for mitigating the unplanned negative impacts? What was the result?

**Recommendations, lessons learned and best practices.**
Provide key recommendations related to the project design; project implementation; project management and management of resource; programmatic response.
1. What lessons can be learned from the project implementation in order to improve performance, result and effectiveness in the future.

**EVALUATION METHODOLOGY**
The evaluation will be conducted through a qualitative assessment method. The evaluation phases shall include, but not be limited to:
- A desk review of relevant reports and data that will mainly address qualitative issues.
- Submission to and discussion of the proposed methodology with UNDP
- Field-research and visit to partners and beneficiaries, where more qualitative issues can be addressed.
- Preparation of the evaluation report, findings and recommendations.
- Review findings with stakeholders/partners and preparing a follow-up action plan to implement accepted recommendations

**Duties and responsibilities:**
Consistent with the above general scope, the Consultant will work closely with IRTD Project Manager and team and will perform the following duties:

- **Submission/discussion of Evaluation Methodology**
  Evaluation methodology should be submitted and discussed with UNDP IRTD Project Manager and Programme Officer Socioeconomic Development, HIV and Health Analyst for review and approval.

- **Desk Review**
  During the desk review, the written material that should be examined may include but may not be limited to:
  - The original Project Document and any subsequent costed work-plans.
  - The main project reports which will include key budgetary information.
  - Minutes and conclusions of steering committee meetings, technical team meetings, strategic planning meeting.
  - Progress reports.
  - Summaries of the participatory processes, if any.
  - Information on the activities of project implementation team
  - Any other material that would be relevant.

- **Field Visit**
  - Face-to-face discussions with the stakeholders, including members of the project implementation team. The evaluation team should provide, some days in advance of their visit, a note summarizing those issues that they would particularly look to explore further and a proposed schedule.
  - Discussions with the key partners, target audience, and relevant stakeholders

- **Presentation of Results, Reporting and Final Submission**
The final output of the evaluation will be a comprehensive report in UNDP format outlining the methodology pursued and main findings of the evaluation, including lessons learned and recommendations. The findings of the evaluation will be presented by the evaluator to UNDP, RA Ministry of Territorial Administration and Infrastructure, TF and Tourism Committee for their review and inputs. Inputs will be integrated final evaluation report will be submitted to UNDP on the date agreed.

**Required Qualifications:**

**Education:**
Advanced Education in relevant fields e.g., Economics, Tourism, Social Science and Development, MBA, etc.

**Experience:**
At least 7 years of proven experience in Adaptation Fund, TF project design and evaluation under UNDP, UNEP, WB and/or other international organizations in the area rural development, tourism development, community development; Proven practical experience in information gathering and research methodology; experience in data analysis by using innovative approaches and goof writing of prompt recommendations.

**Languages:**
Proficiency in the English language is required. Knowledge of Russian is an advantage.

**Competencies:**
- Demonstrated experience with project/programme assessments, evaluations;
- Proficiency in monitoring and evaluation techniques including in-depth interviews; focus group discussion and participatory information collection techniques;
- Strong analytical capacity;
- Advanced experience in working with government agencies (central and local), civil society organizations and international organizations;
- Understanding of country tourism context in Armenia is an asset;
- Advanced communication capacity;
- Ability to work efficiently and provide high quality outputs under time pressure;
- Advanced IT and Microsoft office operating capacities.

**Terms and Conditions for provision of services:**
- The assignment will be a combination of in country missions and the desk study; At least one country visits to Armenia for 5 days is envisaged to conduct interviews, gather first-hand information, present project scope and overall strategy, and provide inputs into discussions around project log-frame and implementation strategy at the project design meeting;
- UNDP reserves a right to terminate the contract at any phase if the requirements as per the TOR are not met.

**Expected result:**
Submit the expected written outputs above in printed and soft versions; MS Word (.doc) format including power point presentation if necessary.

**Evaluator Ethics:**
Evaluation consultants will be held to the highest ethical standards and are required to sign a Code of Conduct (Annex E) upon acceptance of the assignment. UNDP evaluations are conducted in accordance with the principles outlined in the UNEG ‘Ethical Guidelines for Evaluations’.

**Evaluation timeframe:**
The total duration of the evaluation will be 20 days according to the following plan:

<table>
<thead>
<tr>
<th>Activity</th>
<th>Timing</th>
<th>Completion Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Preparation</td>
<td>3 days</td>
<td>01 November 2019</td>
</tr>
<tr>
<td>Evaluation Mission</td>
<td>5 days</td>
<td>04-09 November 2019</td>
</tr>
<tr>
<td>Draft Evaluation Report</td>
<td>9 days</td>
<td>20 November 2019</td>
</tr>
<tr>
<td>Final Report</td>
<td>3 days</td>
<td>25 November 2019</td>
</tr>
</tbody>
</table>

**Evaluation deliverables:**
The evaluator is expected to deliver the following:

<table>
<thead>
<tr>
<th>Deliverable</th>
<th>Content</th>
<th>Timing</th>
<th>Responsibilities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Inception Report</td>
<td>Evaluator provides clarifications on timing and method</td>
<td>No later than 2 weeks before the evaluation mission.</td>
<td>Evaluator submits to UNDP IRTD Project</td>
</tr>
<tr>
<td>Presentation</td>
<td>Initial Findings</td>
<td>End of evaluation mission</td>
<td>To UNDP IRTD project manager, UNDP SED Programme Officer</td>
</tr>
<tr>
<td>Draft Final Report</td>
<td>Full report, (per annexed template) with annexes</td>
<td>Within 3 weeks of the evaluation mission</td>
<td>Sent to UNDP IRTD project manage and UNDP SED Programme Officer for revision</td>
</tr>
<tr>
<td>Final Report*</td>
<td>Revised report</td>
<td>Within 1 week of receiving UNDP comments on draft</td>
<td>Sent to UNDP IRTD project manage and UNDP SED Programme Officer for uploading to UNDP ERC.</td>
</tr>
</tbody>
</table>

*When submitting the final evaluation report, the evaluator is required also to provide an 'audit trail', detailing how all received comments have (and have not) been addressed in the final evaluation report.

**Payment mode:**
Payment will be conducted in the following installments upon completion of the tasks:

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>60%</td>
<td>Following submission and approval of the 1st draft evaluation report</td>
</tr>
<tr>
<td>40%</td>
<td>Following submission and approval of the final evaluation report</td>
</tr>
</tbody>
</table>

**Annex 1:** The Report should include but not be limited to the following headings
Title and opening pages
Table of contents; Introduction; Description of the intervention; Evaluation Scope and objectives; Evaluation approach and methodology; Data analysis; Findings and conclusion; Recommendations; Lessons learned; Annex(s)
## Evaluation Recommendation №1

### Carry out a post-project monitoring to measure the real sustainable impact of the project on the target Marzes and on the targeted value chains

Management response: Recommendation is accepted. A final post-project monitoring analysis will be conducted in 2020 to measure the project’s impact on the Marzes on targeted value chains. Meanwhile, UNDP Armenia Independent Country Programme Evaluation (ICPE) that was conducted in 2019 highlighted that UNDP 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 is yet to be strengthened. The same evaluation highlighted also that UNDP contributed to the development of the tourism sector in Armenia, valuably promoting the involvement of the 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 rural population.

<table>
<thead>
<tr>
<th>Key action(s)</th>
<th>Completion date</th>
<th>Responsible unit(s)</th>
<th>Tracking*</th>
<th>Status (initiated, completed or no due date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1 Conduct final post-project monitoring to reveal the real impact of all project components.</td>
<td>30/06/2020</td>
<td>Integrated Rural Tourism Development (IRTD) Project Monitoring Specialist, Project Manager</td>
<td>Monitoring methodology is drafted (01/02/2020) Survey questioner is drafted (01/02/2020) Survey is in process to be accomplished by 29/02/2020</td>
<td>Initiated</td>
</tr>
<tr>
<td>1.2 Conduct comparative analysis before and after project for the sector in the country</td>
<td>30/06/2020</td>
<td>IRTD Project Monitoring Specialist, Project Manager</td>
<td>Final Monitoring report to be submitted for revision 15/03/2020</td>
<td>Initiated</td>
</tr>
</tbody>
</table>

## Evaluation Recommendation №2

### Keep visibly and periodically update the Project’s database

Management response: Recommendation is accepted. At Project’s Annual Board on 24/12/2019 Ms. Safaryan, Chairperson of the State Tourism Committee of Armenia, highlighted that the database was instrumental for rural tourism development efforts in Armenia and would be opened for a wider accessibility. UNDP ICPE also reflected the database importance saying that it 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 compiled into a database, which has analytical and reporting tools to be used for rural tourism and destination development purposes.
<table>
<thead>
<tr>
<th>Key action(s)</th>
<th>Completion date</th>
<th>Responsible unit(s)</th>
<th>Tracking</th>
<th>Status (initiated, completed or no due date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1 Make <a href="http://undp.rtd.am/login">http://undp.rtd.am/login</a> database publicly available</td>
<td>31/03/2020</td>
<td>IRTD Project Team</td>
<td>Users shall register in the system</td>
<td>Completed</td>
</tr>
</tbody>
</table>

**EVALUATION RECOMMENDATION № 3**

Given that the economic capacities and priorities differ from one province to another in the country, to search for different solutions for each of the R&D center, in cooperation with the relevant local stakeholders from public and private sector

Management response: Sustainability and the status of Research and Development Centres were discussed during the Project Annual Board Meeting on 24/12/2019, where it was agreed to continue supporting the centres through UNDP other project “Future Skills and Jobs for Armenian Rural Youth” for one more year, until the Government of Armenia will complete the process of institutionalization of the centres. The centers created high visibility for the Project and contributed to the regional tourism development in general.

<table>
<thead>
<tr>
<th>Key action(s)</th>
<th>Completion date</th>
<th>Responsible unit(s)</th>
<th>Tracking</th>
<th>Status (initiated, completed or no due date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1 To discuss the issue of institutionalization of the centers with respective Government Bodies (MTAI, MOE Tourism Committee, LSGs)</td>
<td>31/12/2020</td>
<td>IRTD Project Team</td>
<td></td>
<td>Initiated</td>
</tr>
</tbody>
</table>

**EVALUATION RECOMMENDATION № 4**

To improve the reporting on the Project achievements and impact, to add reporting on Marketing and Promotion related interventions separately from the Project related visibility activities

Management response: Recommendation is accepted. The Project will separate Marketing and Promotion interventions from the Project related visibility activities.

<table>
<thead>
<tr>
<th>Key action(s)</th>
<th>Completion date</th>
<th>Responsible unit(s)</th>
<th>Tracking*</th>
<th>Status (initiated, completed or no due date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1 Separate Marketing and Promotion interventions from the Project related visibility activities</td>
<td>31/12/2020</td>
<td>IRTD Project Team</td>
<td>Final report will provide separate reporting</td>
<td>Initiated</td>
</tr>
</tbody>
</table>

**EVALUATION RECOMMENDATION № 5**

All project operational principles to be shared by the project as a success story with its key stakeholders and further operations of this network should be promoted for continuous development of the sector

Management response: This is an on-going process. All project visibility materials will be widely shared via social networks and media agencies.

<table>
<thead>
<tr>
<th>Key action(s)</th>
<th>Completion date</th>
<th>Tracking</th>
</tr>
</thead>
</table>
### EVALUATION RECOMMENDATION № 6

**Design and fundraise for a follow up Project in tourism sector, involving the current professional, enthusiastic and motivated project team as well as the interested stakeholders from the Bridge Network**

Management response: Recommendation is accepted. UNDP Programme Portfolio will work on a new concept on sustainable tourism development in Armenia and will explore opportunities for fundraising.

<table>
<thead>
<tr>
<th>Key action(s)</th>
<th>Completion date</th>
<th>Responsible unit(s)</th>
<th>Tracking</th>
<th>Status (initiated, completed or no due date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.1 Design a vision for tourism R&amp;D as an innovative model for generating new ideas for the sustainable tourism development and implementation</td>
<td>31/12/2020</td>
<td>IRTD Project Manager, IRTD Project Experts</td>
<td></td>
<td>Initiated</td>
</tr>
</tbody>
</table>

### EVALUATION RECOMMENDATION № 7

**Design new Project based on “Market System Change” development approach which will allow to build the new project interventions on the wealth of experience from IRTD project and to coach replication process of the introduced successful business models**

Management response: Recommendation is accepted. The Programme Portfolio will work on a new concept based on the recommended model of “Market System Change”, accumulating IRTD Project experience and replicating business models that were put into practice.

<table>
<thead>
<tr>
<th>Key action(s)</th>
<th>Completion date</th>
<th>Responsible unit(s)</th>
<th>Tracking</th>
<th>Status (initiated, completed or no due date)</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.1 Develop a new project proposal as a logical continuation and replication of IRTD</td>
<td>31/12/2020</td>
<td>IRTD Project Manager, IRTD Project team</td>
<td>New proposal to build up on the successes of IRTD and propose new models for promoting sustainable tourism in Armenia is in the development process for potential fundraising.</td>
<td>Initiated</td>
</tr>
</tbody>
</table>

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