

UNITED NATIONS DEVELOPMENT PROGRAMME

AMENDMENT TO THE PROJECT DOCUMENT

Armenia



**Project Title: Innovative Solutions for SDG Implementation in Armenia (SDG Lab Phase II)**

**Project Number: 00109316-00108696**

Following the Revolution of April 2018, the Government of Armenia has redefined its priorities in different sectors. Consequently, the SDG National Innovation Lab has successfully redesigned and repositioned itself as the go-to partner of the Government for complex issues that require innovative methodologies, advanced data analytics for evidence-based and citizen-centered policy making.

In line with the Government's priorities and emphasis on new sectors, as well as the requests from different Government counterparts, the Lab integrated new outputs and interventions in the Project Document to best carry out its role as a Research & Development hub for innovation. This paradigm shift towards innovation in policy making is perhaps one of the biggest achievements of the Lab.

Following the aforementioned, the parties agree to amend the Project Document as follows:

Output 1: Increased use of environmentally-friendly practices as a result of behavioural experiments.

Output 1.3: An on-demand behavioural insights facility is set up within the Lab.

Insert the following provision under output 1.3.

"The Government reaches out to the Lab as its own Research & Development hub for innovation. Taking into consideration the requests of different Government stakeholders, the Lab will carry out behavioral experiments in the following sectors:

- ***Artificial Intelligence for Government's Electronic Document Management System***

The inefficient processing of information in the current Government internal electronic document management system – Mulberry – has led to decreased operational performance and productivity as well as inefficient use of resources within the Government. To tackle this, the Lab will deliver a new product to develop an AI algorithm for reengineering the Government processes of submission, processing and responding to petitions, complaints and letters. To aid the Government in making its communication with the citizens more effective and efficient, as well as to nudge the citizens to opt for means of digital communication when addressing the Government, the Lab will design and implement a behavioral experiment.

- ***Digital Service Standard***

To ensure that the Government designs and delivers public services which are simple, clear and fast, the Lab will join the efforts of the Government to provide its expertise for the development of unified and universal standard and procedure for co-creation and co-



AMENDMENT TO THE PROJECT DOCUMENT

Armenia

production of public services to increase the effectiveness through increased uptake rate of digital services.

To ensure the practicality of the project, one of the public services with low uptake rate and high scalability will be selected to serve as a model. The service will undergo re-engineering and re-design process in compliance with the standards and procedures. A well-designed behavioral experiment will help to understand the real needs of the user and to identify the factors influencing on usage of digital services. Findings of the experiment as well as the evaluation results on the uptake rate of the redesigned services will help in contextualization and fine-tuning of the standards.”

Output 2: Increased availability of data for evidence-based policy and decision-making.

Output 2.1: Increase in Big Data-generated policy insights. Insert the following provision in the second paragraph under output 2.1

- “Supporting the Government of Armenia in improving its operational efficiency through developing Armenian natural language processing technology and supporting its integration into Government’s internal operations, service delivery and policy development initiatives that will require language processing and analysis, such as analyzing public feedback, improving predictions to aid decision-making, enhancing policy analysis and improving the regulatory compliance.
  
- Supporting the Government of Armenia in increasing the efficiency and effectiveness of citizen-Government communication through gaining access to different means of citizen correspondence with the Government (hard-copy letters, e-mail, online platforms, etc.) and developing an AI algorithm for reengineering the Government processes of submission, processing and responding to petitions, complaints and letters.”

Project Management

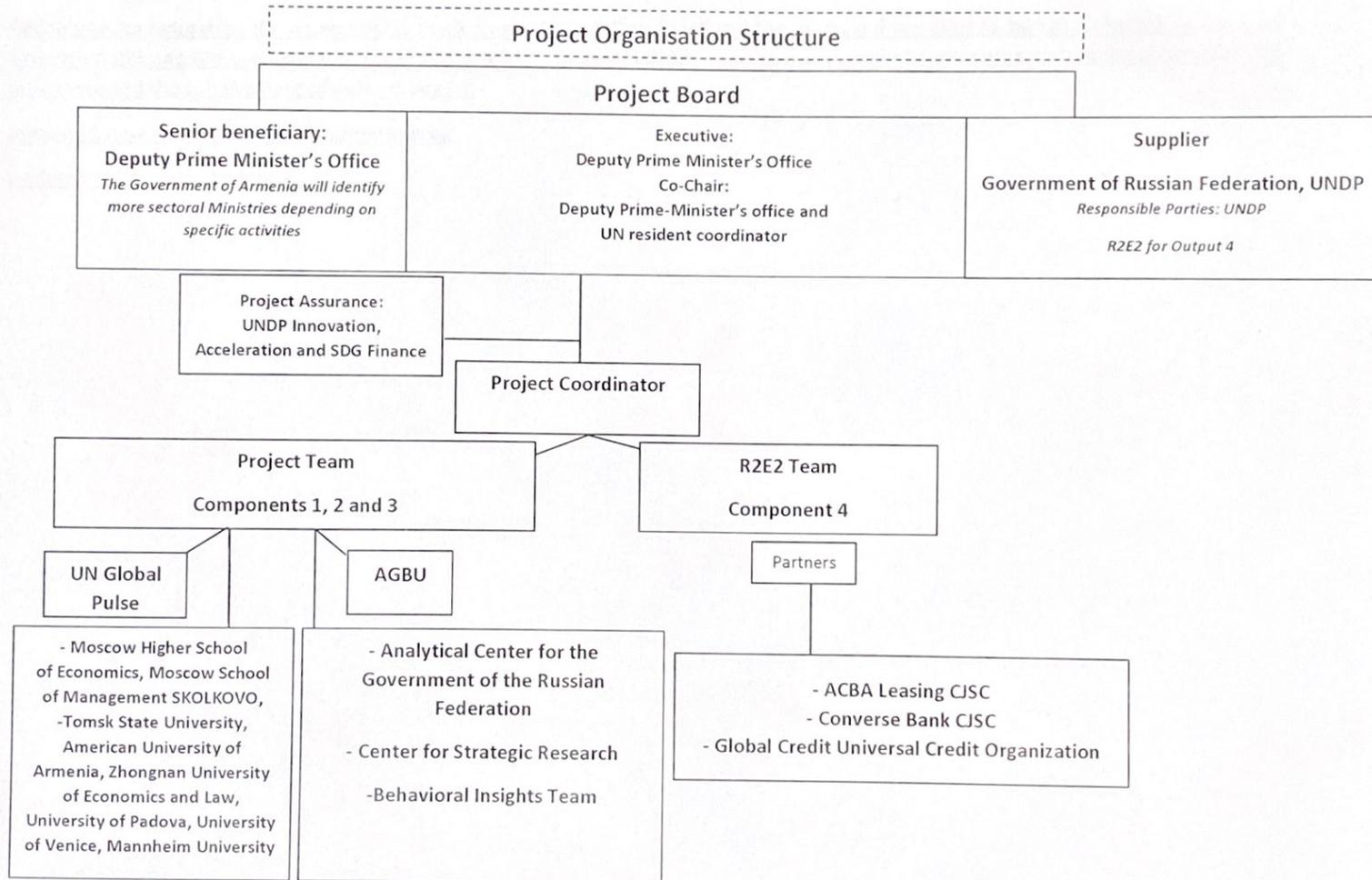
Remove “The Center for Strategic Initiatives (CSI) will support the Prime Minister’s Office of Armenia in its role of Executive. It will also serve as a unifying coordination platform among the stakeholders to facilitate SDG acceleration solutions and their introduction in public policy”

Insert/add “SDG Innovation Lab Management Board- the Board- will be set up to ensure the strategic governance of the SDG National Innovation Lab. The Board will be co-chaired by the Deputy Prime Minister of Armenia and the UN resident coordinator”.

Amend “Governance and Management Arrangements” section as follows:



I. GOVERNANCE AND MANAGEMENT ARRANGEMENTS



UNITED NATIONS DEVELOPMENT PROGRAMME

AMENDMENT TO THE PROJECT DOCUMENT



Armenia

Results and Resources Framework

Taking into consideration the amendments made in the Project Document and the envisaged activities to be implemented by the SDG Innovation Lab, the RRF is amended accordingly to reflect the new indicators and targets in order to correctly measure the progress of the project toward the achievement of defined targets.

Amended/new indicators are highlighted in grey:

Update the RRF with the following:

## II. RESULTS FRAMEWORK

EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 May2019	Year 2 December 2020	Total	
Output 1	Increased use of environmentally-friendly practices as a result of behavioural experiments.							
1.1: Solar water heating and PV installations are increased in the population of interest	1.1.1% of installed solar water heaters and PVs in the population of interest	Official statistics, private company statistics and baseline and endline surveys	1 % of the population has solar water heaters and PVs	2017	2% penetration rate in the population of interest	3%		Official data sources, annual primary data collection
	1.1.2 Price of the solar water heater and rooftop PV in the population of interest	Private company statistics	1000 (solar water heater); 2-3 kW per household (800-1000\$ per kW in average)	2018	n/a	n/a		The final price will be decided as an outcome of the experimental intervention depending on the number of people who would like to install solar water

UNITED NATIONS DEVELOPMENT PROGRAMME

## AMENDMENT TO THE PROJECT DOCUMENT

*Armenia*

								heaters and rooftop PVs.
1.2: Wasteful water consumption is decreased in the population of interest	1.2.1 Quantity of drinking water consumed per household (m <sup>3</sup> )	Private company statistics (Veolia)	n/a - to be set	2017	-	5% decrease <sup>1</sup>		Baseline household survey to understand the socio-demographic characteristics of treatment and control groups, data from water supplier company.
1.3: An on demand behavioural insights facility is set up within the Lab	1.3.1 # of SDG challenges treated at the behavioural insights facility	Project logs	0	2018	1	1		Project progress reports
	1.3.2 # of behavioral experiments carried out	Project logs	0	2018	1	2		Project progress report
	1.3.3 % of increase in the uptake rate of cervical cancer screenings	Project logs	0	2018	10%	-		Project progress report
	1.3.4. % of increase in tax compliance among turnover taxpayers	Project logs	0	2018	-	5%		Project progress report
	1.3.5 # of policy insights generated	Project logs	0	2018	1	2		Project progress report

<sup>1</sup>In other countries (for instance Costa Rica) a similar intervention resulted in 4-6% decrease in consumption of drinking water.

## UNITED NATIONS DEVELOPMENT PROGRAMME

## AMENDMENT TO THE PROJECT DOCUMENT



## Armenia

	1. 3.6 digital service standard submitted to the Government for approval as a binding document	Project logs	0	2018	-	1		Project progress report
	1.3.7 % of increase in the uptake rate of digital services	Project logs	0	2018	-	5%		Project progress report
<b>Output 2</b>	<b>Increased availability of data for evidence-based policy and decision-making.</b>							
2.1: Increase in Big Data-generated policy insights	2.1.1 # of policy insights generated	Project logs	0	2018	1	1		Project progress reports
	2.1.2 # of Big Data sources analysed	Project logs	0	2018	1	1		Project progress report, interviews with stakeholders
	2.1.3 # of partnerships with Big Data holders	Project logs	0	2018	1	1		Project progress reports, MoUs
	2.1.4 # of platforms developed	Project logs	0	2018	1	1		Project progress reports
	2.1.5 % of time saved on categorizing digital correspondence with the citizens and the Government	Project logs, progress reports	0	2018	-	20%		Project progress reports
	2. 1. 6 # of annotation guidelines developed for the Armenian Language Treebank	Project logs, progress reports	0	2018	-	1		Project progress reports

UNITED NATIONS DEVELOPMENT PROGRAMME

## AMENDMENT TO THE PROJECT DOCUMENT

Armenia

	2.1.7 # of tokenized words from digital correspondence between citizens and the Government	Project logs, progress reports	0	2018	-	15000		Project progress reports
	2.1.8 universal dependency treebank from the digital correspondence between citizens and the Government	Project logs, progress reports	0	2018	-	1		Project progress reports
	2.1.9 # of linguistic data banks, dictionaries for most commonly researched tasks in natural language processing	Project logs, progress reports	0	2018	-	2		Project progress reports
2.2: An SDG-specific monitoring mechanism, the SDG Barometer, is scaled up	2.2.1 Digital platform of the SDG Barometer	Project logs	0	2018	-	1	<b>1</b>	Secondary research, project progress report
	2.2.2 # of SDGs reflected in the barometer	Official reports, project logs	0	2018	1	3		Secondary research, project progress report, website
<b>Output 3</b>	<b>Enhanced capacity of National SDG Champions in innovative research methods and skills.</b>							
3.1: A series of hands-on co-creating workshops on behavioural experimentation in policy making is	3.1.1 # of participants in the workshop/s	Project logs	0	2018	15	15		Secondary research, project progress report

UNITED NATIONS DEVELOPMENT PROGRAMME

## AMENDMENT TO THE PROJECT DOCUMENT

Armenia

<i>designed and piloted for SDG Champions</i>								
<i>3.2: A series of hands-on co-designing workshops on Big Data use in policy making is piloted for Armenia's SDG Champions</i>	<i>3.2.1 # of participants in the workshop/s</i>	<i>Project logs</i>	<i>0</i>	<i>2018</i>	<i>10</i>	<i>10</i>		<i>Secondary research, project progress report</i>
<i>3.3: Research exercises on alternative finance and blockchain are designed and piloted for SDG Champions</i>	<i>3.3.1 # of counterparts involved in the research exercise/s</i>	<i>Project logs</i>	<i>0</i>	<i>2018</i>	<i>4</i>	<i>4</i>		<i>Secondary research, project progress report</i>
	<i>3.3.2 # of ideas generated on the application of alternative finance and blockchain in Armenia</i>	<i>Project logs</i>	<i>0</i>	<i>2018</i>	<i>1</i>	<i>1</i>		<i>Secondary research, project progress report</i>
<i>3.4: An on-demand training facility is set up within the Lab to socialize the Lab's most advanced public policy tools</i>	<i>3.4.1 # of co-creating workshops in to-be-identified areas</i>	<i>Project logs</i>	<i>0</i>	<i>2018</i>	<i>1</i>	<i>1</i>		<i>Secondary research, project progress report</i>
<b>Output 4</b>	<b>Successful model for accelerated implementation and financing of Goal 7 (Affordable and Clean Energy) is designed and tested.</b>							
	<i>Pilot 1 - Competitive financing instruments for facilitating "Green energy" production at household level in Armenia's vulnerable communities</i>							
<i>4.1. Sustainable financing mechanism</i>	<i>4.1.1 - # of households in the target regions that are</i>	<i>Official statistics,</i>	<i>-</i>	<i>2018</i>	<i>300</i>	<i>500</i>		<i>Official data sources, annual</i>

## UNITED NATIONS DEVELOPMENT PROGRAMME

## AMENDMENT TO THE PROJECT DOCUMENT

Armenia

for installation of solar water heaters and PV systems by inhabitants of targeted regions is available and functional.	financed to install solar water heaters and PV panels from revolving fund through partner banks	private company statistics and baseline and endline surveys					primary data collection
	4.1.2 # of households with 4 or more children in the target regions that benefits from significantly reduced interest rates	Official statistics, private company statistics and baseline and endline surveys	0	2018	150	310	Official data sources, annual primary data collection
4.2. Increased awareness on benefits of renewable energy and energy efficient technologies and promotion of "Green jobs" in the target regions.	4.2.1 % of population realising socio-economic benefits of using solar energy solutions at their homes	Official statistics, private company statistics and baseline and endline surveys	5%	2018	15%	25%	Official data sources, annual primary data collection
	4.2.2 # of people self-employed in the sector	Project logs	-	2018	20	40	Annual primary data collection

UNITED NATIONS DEVELOPMENT PROGRAMME

AMENDMENT TO THE PROJECT DOCUMENT

Armenia



---

**III. SIGNATORIES**

The parties hereby agree to amend the Project Document.



\_\_\_\_\_

**Serge Varak Sisserian**

A handwritten signature in blue ink, consisting of several overlapping loops, is written over a horizontal line.

Head of Deputy Prime Minister's Office



\_\_\_\_\_

**Dmitry Mariyasin**

A handwritten signature in black ink, appearing as a stylized 'DM', is written over a horizontal line.

Resident Representative of the United Nations Development  
Programme

*H. M. [Signature]*

A small, handwritten signature in black ink, possibly initials 'H. M.', is located in the lower right area of the page.