

PROJECT DOCUMENT REVISION**Project Title: Environmental Protection of Lake Sevan – EU4Sevan****Project Number: 00129871/00123402****Implementing Partner: UNDP****Start Date: 10 Sept 2020 End Date: 9 Sept 2024 PAC Meeting date: 21 Jan 2021****Brief Description**

Lake Sevan has a highly significant historical, cultural, and economic value for the country as it is a source of drinking water, irrigation water, and production of hydropower. It also serves as a recreational area for the Armenian population. However, because of the intensive and unsustainable use during the past decades, the water quantity and quality have significantly deteriorated. The Lake faces numerous environmental challenges and has also suffered significant biodiversity loss. The restoration and preservation of the lake's ecological balance, as well as its protection and sustainable use are top priorities for the Armenian Government in the field of climate and environment. The main objective of the Project is the improvement of the Lake Sevan ecosystem governance framework.

EU4Sevan project aims to further enhance the environmental protection of Lake Sevan. UNDP will focus on further improving the governance of Lake Sevan ecosystem through: (i) improving the management framework, (ii) strengthening the policy environment, and (iii) creating capacity for long-term development planning and site assessments. The Project is part of the EU Action "EU4 Energy Efficiency and Environment," and of the BMZ-funded programme "Management of natural resources and safeguarding of ecosystem services for sustainable rural development in the South Caucasus (ECO serve)."

EU4Sevan project UNDP component consists of 4 main outputs. The 4th one, initially consisting of the Assessment of the "Sotk" gold mine tail, has been revised to provide technical support to cleaning of the Lake's flooded forest and surrounding swamp areas and planning of afforestation/reforestation activities to support Lake Sevan basin ecosystem rehabilitation. The revision was requested by the Government of Armenia (Ministry of Environment) in early 2021, considering the current geopolitical context and the security issues related to reaching and working at the area of the "Sotk" mine, and was approved by the EU on 27 September 2021. The total budget envisaged for this sub-output, however, remained unchanged. The Project Document has been revised to reflect this change, as well as to realign it with the new UNDAF/CPD Outcomes and the new Strategic Plan Outputs.

Contributing Outcome (UNDAF/CPD 5/2): Ecosystems are managed sustainably, and people benefit from participatory and resilient development and climate-smart solutions.

Indicative Output 5/2.3: Improved national and local governments capacities to introduce environmentally sound management practices for ecosystems, waste, and chemicals

Gender marker 2: GEN2

SDGs 6, 15, 13, 1

Total resources required:

Total resources allocated:

UNDP TRAC:	-
EU:	\$1,166,314.18 ¹
Government:	-
In-Kind:	-

Unfunded:

-

Implementing agency: UNDP

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Date: 09-Jun-2022

¹ Total allocated amount is 1,000,664 EUR. The calculation is based on exchange rates of the first 2 tranches received: 1 USD = 0.852 EUR (October 2020) and 1 USD = 0.913 EUR (30 March 2022).

I. DEVELOPMENT CHALLENGE

1. Lake Sevan is the largest freshwater lake in the Caucasus Region (1,242 km² area) and one of the largest freshwater high-mountain lakes of Eurasia. It is situated in Gegharkunik Province, at an altitude of about 1,900m above sea level. The total surface area of the Lake makes up one sixth of the total territory of Armenia. The Lake is fed by 28 rivers and streams, and the river Hrazdan flows out of it. Lake Sevan and some of its surrounding areas are designated as Sevan National Park. Lake Sevan has a highly significant historical, cultural, and economic value for the country as it is the most significant source of freshwater, irrigation water, aquaculture, as well as hydropower in Armenia. Its condition has direct bearing on the region's environmental health and Armenia's economic potential. To address wider environmental issues as well as to protect major water sources like Lake Sevan from contamination, regulations and their enforcement need to be revised.

2. Since Armenia's independence in 1991, the deterioration of water supply and sanitation infrastructure and related service delivery mechanisms have impacted the quality and management of water, making it a crucial issue on the development agenda. Currently, only two thirds of the country's population (mostly urban) is connected to sewerage collection systems. About 20% of these networks were connected to sewer treatment facilities, all built before independence, in the Soviet era. Most of these facilities are not functional due to missing or aging and faulty infrastructure in wastewater and sewage treatment. To ensure water quality in Lake Sevan, proper sewage treatment is required for most of the neighbouring urban as well as rural settlements, from where wastewater is currently being discharged into rivers which are flowing into Lake Sevan, polluting it further. It is necessary to refurbish and build new sewerage pipelines, to transfer the wastewater of those settlements to the treatment plants, or to apply local cleaning solutions. Besides the untreated municipal wastewater, diffuse pollution from agriculture, e.g., from mineral and organic fertilizers and manure, is affecting Lake Sevan's water quality. This agricultural pollution from several settlements in the basin located on the coastal zone of Lake Sevan flows directly into the Lake. Also, livestock production has significant pressure on the quality of water resources.



3. Stakeholders at the local level lack proven and practical solutions to reduce water pollution that can be replicated. This applies equally to sustainable and biodiversity-friendly land use and agricultural production methods (to tackle diffuse pollution sources) as well as nature-based solutions for wastewater treatment (to tackle the main point sources of pollution). Likewise, there are not enough opportunities or suitable incentive mechanisms for promoting and disseminating country-specific innovations. Furthermore, no adequate upscaling strategies are available. Effective incentives and disincentives, knowledge, and capacities are lacking to adopt more sustainable practices at the local level and to assess the technical and financial feasibility of measures, including initiatives by the private sector.

4. Lack of monitoring data on the quality and quantity of water resources and on the status of ecosystems is another challenge in the Lake Sevan basin. While significant progress is being made - also with support from the European Union (EU) - there are still important gaps to be filled, including inadequate hydro-

meteorological and hydrogeological observation data due to insufficient quantity of monitoring sites; insufficient actual water use data; absence of biological monitoring data; insufficient data on the use of organic fertilizers and pesticides and data on pesticides in surface water and groundwater; water abstraction for fish-farming and data on phosphorus release from fish farms; as well as data on wastewater composition and volume. Overall, in Armenia, the data used for planning and decision-making processes and for drafting legal acts and enforcement regulations is not up to EU and other international standards. In many cases, both the resource users (households, farmers, employees of state agencies and public facilities) and the civil society in general lack environmental awareness, information, and know-how which is necessary for the protection of the Lake's water from pollution through a more sustainable and biodiversity-friendly management and use of resources.

5. Not least, current water use in the Lake Sevan basin - including excessive transfers of the Lake's water through Sevan-Hrazdan Cascade for irrigation and generation of hydropower - causes disturbance in aquatic life. The governance of water resources and ecosystems needs to be strengthened to ensure efficient use of water resources and prevent the overuse of the Lake's water.

The Government of Armenia recognizes the importance of rehabilitation of the Lake Sevan ecosystem and for over two decades has been investing into the setup of an institutional and regulatory framework and plan of actions towards ecosystem rehabilitation. However, inadequate and disintegrated planning, weak inter-sectoral coordination, inefficient monitoring, control and law enforcement mechanisms as well as outdated policy framework not harmonized among sectors inhibit the progress towards sustainable management of the lake ecosystem and basin.

Relevance of the action

6. The action is fully in line with Armenia Development Strategy 2014-2025 adopted in March 2014 and currently under revision, which highlights numerous measures to reduce the pollution of water resources. In September 2015, the Government of Armenia signed on to Agenda 2030 and its 17 Sustainable Development Goals (SDG). This intervention contributes primarily to the progressive achievement of Sustainable Development Goal 6: Clean water and sanitation. It also supports achieving SDGs 15 (Life on land), 13 (Climate protection), as well as SDG 1 (Poverty reduction), and takes account of interactions between the various dimensions and/or SDG sub-targets.

7. The Government Programme 2019-2024 sets an ambitious agenda for environmental management. It outlines as a priority area the restoration and preservation of the ecological balance in Lake Sevan and the preservation and management of Ararat artesian basin and river ecosystems. The Laws on the Lake Sevan (2001) and On Adoption of the Annual and Complex Program of Activities for the Use, Protection, Reconstruction and Reproduction of the Lake Sevan Ecosystem (2001) have had a significant impact on enhancing the legal framework.

8. In recent years, Armenia has moved a step closer to the EU legislation and practices of integrated water resources management. The Comprehensive and Enhanced Partnership Agreement (CEPA) between Armenia and the EU aims at a gradual alignment of the RA legal framework in the water sector with the EU acquis. In the field of water quality and resources management, this will include five EU acquis directives: Water Framework Directive, Floods Directive, Urban Wastewater Directive, Drinking Water Directive, and Nitrates Directive.

9. Through the Comprehensive and Enhanced Partnership Agreement (EUWI+) programme, technical assistance was provided to develop a roadmap for alignment with the five EU water-related directives identified in the CEPA. Roadmap implementation is now ongoing. A comprehensive set of amendments to the Water Code was recently submitted to government entities for feedback. Also, Armenia has revised its national targets² in the context of the Protocol on Water and Health. The draft revised targets cover all the priority areas under the Protocol for Armenia - from the quality of drinking water and reduction of water-related diseases to access to drinking water and sanitation, wastewater treatment, and water resources management. The revisions were submitted for adoption.

10. The first River Basin Management Plan for Sevan³ and Hrazdan basins has been drafted and submitted to the Government for approval. It aims at structuring and improving the management of water resources at basin level in the long term. As a result, Armenia will be able to implement concrete measures at the local level for more efficient water resources management, to reach good water status. Within the framework of Plan preparation, a series of water quality surveys was conducted. For example, in 2018, sampling was done in 15 sampling sites of the Sevan and Hrazdan river basins. Awareness and educational activities have also been implemented in conjunction with the work on the Sevan River Basin Management Plan.

11. With support from the GCF Readiness Programme, the Ministry of Environment has commissioned a “Study of Treatment of Wastewaters Discharged into the Basin of Lake Sevan” which is expected to provide key baseline information relevant for the Project, which will be built on and complemented by the Project outputs.

II. STRATEGY

12. The Theory of Change of the project is based on the understanding that the pathway to environmental sustainability and resilience requires systemic changes in decision-making across multiple sectors that will help the country transition towards: (i) resource-efficient, resilient, and socially inclusive economy; (ii) ability to properly manage its rich ecosystems and natural resources within the limit of natural capital, and (iii) adapting to and mitigating the effects of climate change and disasters. UNDP’s interventions will be geared towards strengthening national capacities in reshaping its long-term vision, policy development and implementation, and resilience building as well as identifying, piloting, and scaling data-driven and gender-responsive smart policies and solutions that are environmentally and climate-friendly, risk-informed, people-centred, and long-lasting.

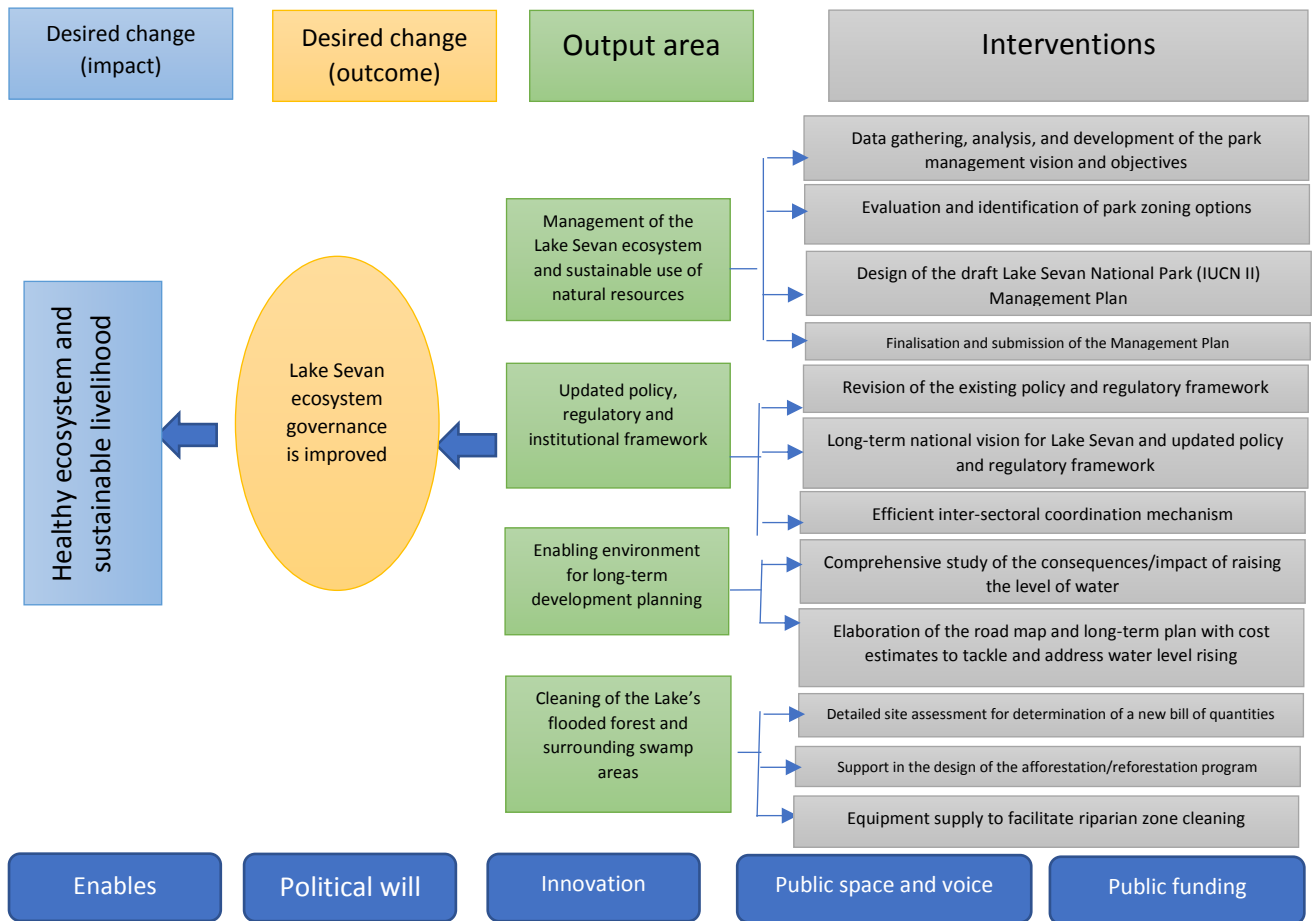
13. To be able to effectively manage the Lake Sevan ecosystem and to ensure the well-being of the population, conflicting regulatory frameworks, policies, and practices should be tackled. At the same time, conservation and sustainable management of natural resources, including aqua- and terrestrial biodiversity, fresh water, forests, land, and air will need to be promoted with the incorporation of ecosystem-based management approaches, resilient thinking, and risk-informed development into governance systems, community planning, business practices, and consumption behaviours.

14. The third significant change that needs to take place in order to advance towards a more environmentally sustainable and less vulnerable society, is related to people’s and ecosystems’ resilience to climate change

² <https://euwipluseast.eu/en/component!content!article/96-all-activities/activites-armenia/reports-of-ar-menia/778-armenia-revised-national-targets-of-armenia-in-the-context-of-the-unece-who-europe-pro-tocol-on-water-and-health?Itemid=397>

³ <https://euwipluseast.eu/en/component/content/article/96-all-activities/activites-armenia/reports-of-ar-menia/684-armenia-thematic-summary-development-of-draft-river-basin-management-plan-for-sevan-river-basin-district?Itemid=397>

and disasters. There is a broad spectrum of approaches and interventions that are needed to make progress in this area, including improved legislative and planning frameworks, new tools for information management, enhanced community participation, and increasing local level resilience, as well as promoting behavioural change (please see the Theory of Change diagram below).



Theory of Change Diagram

15. The project has the **rights-based approach in its centre**. It will greatly contribute towards equity and inclusiveness by directly tackling environmental degradation, which has a greater impact on poorer segments of the society. Pollution in Lake Sevan directly impacts the local economic development, i.e., income of fishmongers and people working in the tourism sector. In 2016, 34.3% of households were female-headed, according to “Social Snapshot and Poverty in Armenia 2017.” Poverty rates in female-headed households with children under six have increased from 35% in 2008 to 42.6% in 2016, mostly due to economic crisis. Thus, by targeting low-income communities, the programme will significantly support the female-headed households, through which it will further contribute towards gender equality efforts.

16. The Action supports the **integration of gender aspects** into national strategies, concepts, and guidelines for the sustainable and biodiversity-friendly management of water, land, and ecosystems. Databases, analyses, instruments, and decision-support tools developed by the project will be based on gender-disaggregated data, and developed and applied with a significant participation of women as researchers, planners, trainers, lecturers etc. Formation, training, and awareness-raising measures and materials will target both women and men and will reflect the different needs and interests of both sexes. The project will support the quantitative and qualitative participation of women in making decisions on the elaboration, implementation, and control of management plans (e.g., basin management plan, national park

management plan, etc.). High participation of and benefits for women will further be aimed at in all steps of planning, monitoring, and evaluation of the Action.

17. **Environmental sustainability** will be considered throughout the project. Natural resources and ecosystems are a key capital of this project. The economic value of natural resources is growing with increased fishing and agricultural production, which, if not sustainably managed, also implies potential risks for and further depletion of natural resources. It will therefore be ensured that all stakeholders understand and appreciate the economic value of the environment and of ecosystems, and that activities take environmental sustainability and social inclusion equally into account. Environmental and climate change aspects will be addressed at the policy level, as they shall be tackled in the framework of the joint learning events as well as mainstreamed in policy and regulatory frameworks, to the extent possible.

18. The Action will also promote a **“One Health” approach** with a focus on links between environment and health that address the links between people, animals, plants, and their shared environment. Through addressing water and land contamination and ecosystem health as well as food safety issues, the Action contributes to tackling some of the main causes of chronic diseases, and to reducing vulnerability of the population from COVID-19 and future pandemics.

19. Building on previous achievements, this project aims to address the immediate needs for rehabilitation of Lake Sevan, while also contributing to longer-term solutions through good water governance that is high on the public agenda at the national level. The project will coordinate activities with the ongoing and future EU-funded Regional Initiatives such as the EU Water Initiative Plus, EU4Environment, and UNDP-implemented EU4Climate. The project will also consider the results of water sector vulnerability assessment, including for Lake Sevan, undergoing under UNDP-implemented “Support to National Adaptation Planning” project funded by the Green Climate Fund.

III. RESULTS AND PARTNERSHIPS

Expected Results

Overall objective:

20. The overall objective associated with the EU Action “EU4 Energy Efficiency and Environment” is to improve energy efficiency and enhance environmental protection and resilience, with its **specific objective to enhance the environmental protection of the Lake Sevan.**

Specific Objective:

21. **UNDP project objective is the further improvement of the overall governance system regulating Lake Sevan ecosystem management and sustainable use.** The improvement of water and lake area governance is a key prerequisite for effective basin management and monitoring; thus, the project aims to bring the ecosystem-based approach as a basis for planning and management of productive landscape in the Lake Sevan basin and sectoral development in an integrated manner to help minimize further deterioration of ecosystems and enhance sustainable livelihood opportunities for communities.

22. The Project supports the formulation of a new long-term vision on Lake Sevan, updating respectively the policy and regulatory framework governing Lake Sevan to consider the change dynamics over the past 20 years and to mainstream additional factors such as ecosystem vulnerability due to climate change. This will be achieved through multi-stakeholder collaboration in the course of the elaboration of the Lake Sevan management plan as a means of managing different land uses and resources in a joint-up way. In contrast to sectoral planning, this landscape approach provides a framework for balancing the different daily needs

with long-term conservation objectives. In the course of prioritisation of measures, the management planning process will build on the Basin Management Plan for Lake Sevan and its Programme of Measures, and the Action developed under the umbrella of EUWI+.

23. The following results are envisaged for achieving the relevant specific output: **The Lake Sevan ecosystem governance is further improved (corresponding to Output 5 of the EU Description of Action).**

Output 1: Improved management framework for protection of the Lake Sevan ecosystem and sustainable use of natural resources

- 1.1. Data gathering, analysis, and development of the park management vision and objectives
- 1.2. Evaluation and identification of park zoning options
- 1.3. Design of the draft Lake Sevan National Park (IUCN II) Management Plan and processing public consultation
- 1.4. Finalisation and submission of the Management Plan

Output 2: Revised and updated policy, regulatory and institutional framework governing the protection and sustainable use of Lake Sevan

- 2.1. Revision of the existing policy and regulatory framework governing Lake Sevan management and gap analysis
- 2.2. Defining a new long-term national vision for Lake Sevan and updating the policy and regulatory framework
- 2.3. Setup of an efficient inter-sectoral coordination mechanism to support the implementation and monitoring of policy enforcement measures

Output 3: Enabling environment created for long-term development planning and implementation of response measures to address water level rising

- 3.1. Conduct a comprehensive study of the consequences/impact of raising the level of water in the lake with full environmental and socio-economic dimensions – to address the potential risks associated with impact on physical infrastructure (roads and construction facilities) and landscapes (forests, agricultural and other community lands)
- 3.2. Elaboration of a road map and long-term plan with cost estimates to tackle and address water level rising

Output 4: Technical support to cleaning of the Lake's flooded forest and surrounding swamp areas and planning of afforestation/reforestation activities to support Lake Sevan basin ecosystem rehabilitation

- 4.1. Detailed site assessment for determination of a new bill of quantities (for up to 3,000 ha area) for further cleaning works
- 4.2. Support in the verification and design of 5,000 ha of afforestation/reforestation program (will be further incorporated into Lake Sevan national park management plan)
- 4.3. Equipment supply to facilitate riparian zone cleaning activities

24. Project results are in line with UNDAF Outcome 5 "Ecosystems are managed sustainably, and people benefit from participatory and resilient development and climate-smart solutions," as well as fit to CPD Output 2.3 "Improved national and local governments capacities to introduce environmentally sound management practices for ecosystems, waste, and chemicals."

Resources Required to Achieve the Expected Results

25. Activities directly implemented by UNDP include technical, strategic, organizational, and process advice, human capacity development, organization of workshops and outreach campaigns, and supervision of works and services by respective consultancy services and individual experts. The UNDP Office will ensure project accountability, transparency, effectiveness, and efficiency in implementation. A Project Team will be established under UNDP's Portfolio for Climate, Environment and Resilience, comprised of a full-time Project Coordinator (PC), a Financial and Administrative Assistant, and a driver. The Project activities will be supported by UNDP operational part-time staff, such as Communications, Finance, IT, and Procurement Officers, which will provide backstopping to the project daily operations and communications.

26. Professional support will be provided by the Project Technical Advisor(s) and the team of short- and long-term individual consultants (national and International) and/or contractual services to be identified and hired for specific tasks along the process as relevant to the project budget and workplan.

Partnerships

27. The Project will closely collaborate with GIZ which is also an implementing partner for EU4Sevan. While UNDP's component focuses on water governance aspects, GIZ will provide inputs to the following outputs: (i) Capacities for basin monitoring and management; (ii) Sustainable land use; (iii) Nature-based wastewater treatment solutions; and (iv) Awareness and information. The above-mentioned outputs are fully integrated into the regional BMZ-financed project "Management of natural resources and safeguarding of ecosystem services for sustainable rural development in the South Caucasus (ECOserve)" which is also implemented by GIZ. As all the outputs are complementary and mutually interlinked, GIZ and UNDP will closely coordinate in the planning and implementation of activities.

28. Collaboration will be established with the project SEVAMOD2 "Development of a model for Lake Sevan for the improvement of the understanding of its ecology and as instrument for the sustainable management and use of its natural resources" funded by the German Federal Ministry of Education and Research (BMBF). The project will utilise data from the monitoring and assessment of Lake Sevan's water quality (nutrient budget, satellite-based remote sensing, eutrophication model) done by the Helmholtz-Centre for Environmental Research - UFZ (Germany) together with the Scientific Center of Zoology and Hydro-ecology and the Center for Ecological-Noosphere Studies (both under the National Academy of Sciences of the Republic of Armenia), and the Hydrometeorological and Monitoring Center of Armenia.

29. The project will utilise the experience and knowledge of the EU Water Initiative Plus (EUWI+) project in Eastern Europe and Caucasus countries for the period of 2016-2020. It has an overarching aim to improve water resources management. Through the EU Water Initiative Plus (EUWI+) project and in collaboration with UNECE, technical assistance was provided to develop a roadmap for alignment with the five EU water-related directives identified in the CEPA, to achieve convergence of national policies and strategies with the principles of the EU Water Framework Directive (WFD), Integrated Water Resources Management (IWRM), and relevant Multilateral Environmental Agreements (MEAs) such as the Water Convention and its Protocol on Water and Health. This project will build on the first River Basin Management Plan for Sevan and Hrazdan basins drafted by EUWI+ which aims at structuring and improving the management of water resources at basin level in the long term.

30. The project will also coordinate activities with the ongoing EU-funded Regional Initiatives, such as EU4Environment and EU4Climate. It will consider the results of water sector vulnerability assessment, including for Lake Sevan, undergoing under UNDP-implemented "Support to National Adaptation Planning" project funded by the Green Climate Fund. The Project will also seek close coordination with International Financial Institutions (IFIs), particularly the European Investment Bank (EIB), the European Bank for

Reconstruction and Development (ERBD), and the German Development Bank KfW, which all have an interest in investing in the wastewater treatment in Armenia, and particularly around Lake Sevan.

Risks and Assumptions

31. Risks and mitigations measures were identified during the formulation phase; assumptions have been elaborated (see Annex 1).

Stakeholder Engagement

32. The Ministry of Environment is the major partner with a wide scope of authority for natural resources protection. Among other tasks, the Ministry implements strategic management, protection, and allocation of water resources, with the main enforcement tools being water use permits. Further key ministries the project will work with are the Ministry of Economy, which is responsible for the agricultural sector, and the Ministry of Territorial Administration and Infrastructure, which is in charge of local governance and infrastructure. The Water Committee is a public agency, operational in the system of governance of the Ministry of Territorial Administration and Infrastructure of the Republic of Armenia, which develops and implements the policy of the Government of the Republic of Armenia regarding the management and use of state-owned water management systems.

33. The Hydrometeorological and Monitoring Center contains two formerly separated entities: the Environmental Monitoring and Information Center (EMIC) and Service of Hydrometeorology and Active Influence on Atmospheric Phenomena. It is subordinate to the Ministry of Environment and implements the monitoring of surface and groundwater quality and quantity. The National Academy of Sciences, particularly the Scientific Center of Zoology and Hydro-ecology and the Center for Ecological-Noosphere Studies, carry out monitoring of Lake Sevan.

34. The Environmental Project Implementation Unit of the Ministry of Environment oversees the work to study pollution sources and impacts on Lake Sevan under the GCF Readiness Programme. The independent Commission on Lake Sevan, established in 2008 by a Presidential Decree, deals with lake issues. The Commission has an annual action plan and is the main conduit of international development financial resources targeted at the lake.

35. The "Sevan National Park" State Non-Commercial Organisation (SNCO) of the Ministry of Environment is the governing institution responsible for the protection of the National Park ecosystem's landscape, biological diversity, and natural heritage, for scientific research, inventory and monitoring, as well as for conservation, rehabilitation and sustainable use of natural resources. Sevan National Park is authorized for commercial operations and is overall responsible for day-to-day management of the Park.

36. Gegharkunik Regional Administration (Marzpetaran) is responsible for and implements the territorial policy of the Government at the regional level and coordinates the activities of the territorial services of the Republican executive bodies.

37. Local stakeholders in the Sevan basin, particularly for the implementation of pilot measures, include local authorities and village communities, local NGOs and civil society organisations, farmers and farmers' associations, as well as private sector representatives such as tourism operators, hotels, and restaurants.

South-South and Triangular Cooperation

38. The Project has no specific dimension or component for South-South exchange, but it will build on the successful experience of other countries and will consider the examples and lessons learned from similar projects in the wider region and from EU countries.

Knowledge

39. The knowledge management strategy forms a core element of the project. While budgets and activities are mainstreamed across the four outputs, in operational terms the implementation of the knowledge management strategy will be managed centrally within the core project team, with the Project Coordinator playing an oversight role in the coordination and delivery of the strategy, in coordination with EU-GIZ. Technical inputs for knowledge products will be developed as part of the mandate of the international and national consultant teams. During implementation, the project team will work closely with project partners - main governmental and non-governmental institutions - in the identification of key findings and development and dissemination of knowledge products. Consultations with these partners ensure that they are all committed to building and disseminating knowledge on subject-related issues beyond the project framework.

40. Also, the project will facilitate information and knowledge exchange on ongoing initiatives and programmes on Lake Sevan through a regular multi-stakeholder platform (such as an annual Sevan conference or forum) including national and local authorities, non-governmental and community-based organisations, development partners, academia, private sector organisations, and others. This will provide an opportunity for the stakeholders to share results and experiences from their initiatives as well as inform about current and planned interventions as a basis for enhanced coordination. It will also contribute to an improved understanding among political decision-makers, the media, and the general public about the key issues and required actions concerning the protection of Lake Sevan.

41. With regards to longer-term sustainability of knowledge transfer and uptake, the following strategy is envisaged:

- Learning materials developed to explain new vision, policy approaches, regulatory improvement, and national park management models around the lake ecosystem will be transferred to relevant authorities, partner scientific and educational institutions and NGOs for further dissemination and/or update. These will continue to be disseminated as part of the mandate of these institutions and form part of their knowledge offering.
- Capacity and materials developed around improved governance framework and natural resources management practices will be mainstreamed into those structures responsible for data management and information systems at national and local levels. All knowledge products and lessons learned will be used as input to consultative workshops and meetings with project stakeholders and disseminated to other donors and relevant agencies.
- The project will use the existing social media platforms and establish a link to the existing UNDP, GIZ and Government's social media on which all relevant reports, documents and findings will be posted for access by interested parties.

Visibility of the action

42. The Action will develop a set of suitable communication activities that relate to the different target groups and stakeholders such as project beneficiaries, implementing partners at national and sub-national level, local media, and other donors and embassies. GIZ will consider EU's visibility requirements as set out

in the Communication and Visibility Manual for EU External Actions as well as the visibility guidelines of the German BMZ. UNDP will act in accordance with Article 11 of the Financial and Administrative Framework Agreement between the European Union and the United Nations to which it is party. In order to maximize the impact of the action, the project will develop and apply a robust visibility strategy throughout the project cycle.

This will be organized via the following means:

- ✓ Public information in reference to the EU funding provision for the launching and final/closing ceremonies of the project (and its sub-activities), public events and “share” conferences, to be disseminated via social media, press conferences and press releases
- ✓ Regular updates and information on project activities under the remit of EU funding provision through UN online platforms, to be discussed and agreed with the EU
- ✓ Project reports and related publications compliant to the EU visibility standards and requirements.

Gender equality (GEN2)

43. The Project supports the integration of gender equality aspects into strategies, concepts, and guidelines for the sustainable and biodiversity-friendly management of water, land, and ecosystems. Databases, analyses, instruments, and decision-support tools developed by the Project will be based on gender-disaggregated data, and developed and applied with a significant participation of man and women as researchers, planners, trainers, lecturers etc. Formation, training, and awareness-raising measures and materials will target both women and men and will reflect the different needs and interests of both sexes. The project will support the quantitative and qualitative participation of women in making decisions on the elaboration, implementation, and control of management plans (e.g., basin management plan, national park management plan, etc.). In general, UNDP will mainstream gender issues in all stages of project implementation, and the following approach will be applied:

- Ensure gender mainstreaming in capacity development measures, including family engagement into public awareness and capacity-building activities
- Ensure women’s active participation in the basin planning and related decision-making processes, encourage participation and delivery at events
- Encourage the families (women and men) to participate in training and to plan, discuss and make decisions jointly
- Ensure gender equality in awarding grants (if any) and in access to resources
- Ensure gender-responsive methodology taking into consideration the specific needs of women and men during assessments and studies, trainings, and awareness-raising campaigns.

Sustainability and Scaling Up

44. To secure the long-term effectiveness of the interventions and their **sustainability at policy level**, the Action is embedded into the national policy and planning frameworks (particularly the Sevan River Basin Management Plan, Lake Sevan National Park Management Plan, etc.), and further strengthens the regulatory and policy framework for water and ecosystem management in Armenia. The Action seeks to disseminate approaches and innovations developed in the field of water and ecosystem management via partner or other intermediary systems and strengthens the capacities for scaling-up pilot measures.

45. The project aims to ensure social inclusion by facilitating equal access to resources, services, infrastructures, and capacity development measures. To the extent possible, the project will facilitate

participation of local communities in planning and decision-making processes, ensuring that local needs, interests, and priorities are taken into account. Specific needs and constraints of poor and vulnerable groups will be analysed (in the framework of the baseline survey and feasibility study) and possible measures will be identified to further promote inclusive participation and equal benefits, thus forming roots for local ownership.

46. To ensure **institutional sustainability**, the Project sustainably strengthens core capacities of the responsible national institutions, as well as those of local resource users. The specific roles and tasks performed by men and women are given due consideration when providing advice and designing measures, as well as during hands-on implementation and final evaluation. This ensures that the changes initiated are sustainable, because they respect the reality and needs of men and women alike. Close coordination with other donors will enable other development measures to benefit from the Action's results, contribute to a wide dissemination of approaches and results, and prepare the ground for scaling up of pilot measures through financial cooperation programmes to ensure financial sustainability.

47. The Project is directly supporting **environmental sustainability** as reducing pollution and protecting ecosystems in the Lake Sevan basin will have direct impact on restoring the biodiversity and will have long-term impact on environmental sustainability. Natural resources and ecosystems are a key capital of this project. The economic value of natural resources is growing with increased fishing and agricultural production, which, if not sustainably managed, also implies potential risks for and further depletion of natural resources. It will therefore be ensured that all stakeholders understand and appreciate the economic value of the environment and of ecosystems, and that activities take environmental sustainability and social inclusion equally into account. Environmental and climate change aspects will be addressed at the policy level, as they shall be tackled in the framework of the joint learning events as well as mainstreamed in policy and regulatory frameworks, to the extent possible.

IV. PROJECT MANAGEMENT

Cost-Effectiveness and Efficiency

48. In order to be cost-effective and work with high efficiency, the project management will rely on evidence-based approach in order to deliver maximum results with available resources. By using the theory of change analysis, different options to achieve maximum results with available resources will be explored. UNDP Environmental Programme management mechanism will be used to improve cost-effectiveness by sharing resources and knowledge and leveraging activities and partnerships with other ongoing country office projects, as well as through synergised efforts with the projects and agencies working in the same direction in the target area (reference to Section III, Partnerships).

49. UNDP and GIZ joint monitoring of the project activities, including monitoring missions, will be organised to increase the efficiency. Wider engagement of local consultants and contractual services will be ensured to the extent possible to reduce service and transaction costs.

Project Management

50. The project will be implemented by UNDP through the "Direct Implementation Modality" (DIM) in close cooperation with the Ministry of Environment and GIZ. In DIM modality, UNDP has the technical and administrative capacity to assume the responsibility for mobilizing and effectively applying the required inputs in order to reach the expected outputs. The UNDP CO will ensure project accountability, transparency,

effectiveness, and efficiency in implementation. UNDP will be responsible for the following main functions in accordance with UNDP corporate regulations: (i) identification and recruitment of project personnel; (ii) procurement of goods and services; (iii) financial services. More specifically, UNDP will:

- Be accountable for delivering on the expected outputs within the time required, manage risks, and sustain results after the project end
- Ensure national ownership and broad stakeholder engagement
- Provide sensitivity and neutrality in project implementation as required
- Ensure that the key technical, financial, and administrative capacities required for the project are in place, and
- Deliver good value for money and ensure accountability for resources

51. Financial oversight, including approval of expenditures and annual external audits of all funds spent under this contract, and monitoring of results will also be ensured by the UNDP country office.

52. UNDP will establish a project team which will ensure that the envisaged activities are carried out in a timely manner, and the outputs are reached. The project team will be managed by the National Project Coordinator (NPC). The NPC will report to the UNDP Environment, Climate and Resilience Team Leader/Analyst and will be responsible for all project operations, in coordination with the GIZ management team. The NPC will ensure proper use of funds and that project activities are implemented in accordance with the agreed project document and project work plans. The NPC will be supported by support staff as well as short- and long-term experts.

Reporting

53. In line with the EU Contribution Agreement, the following reports will be submitted by UNDP to the government and to the EU along the implementation:

- Annual progress reports (narrative and financial), recapitulating on the progress made in the achievement of the results (outputs and outcomes); listing the activities carried out during the reporting period, difficulties encountered, and measures taken to overcome problems and eventual changes introduced; providing information on the implementation of the Visibility and Communication Plan; and outlining the work plan for the next 12 months.

- The final report shall cover the entire period of the Project, providing information on the achievements of the Action, including an outlook on the measures undertaken to ensure sustainability of results and further dissemination/up-scaling.

54. The project will also prepare quarterly monitoring reports in line with UNDP programme and project management and monitoring rules (see Section VI).

V. RESULTS FRAMEWORK⁴

Intended Outcome as stated in the UNDAF/Country Programme Results and Resource Framework Outcome 5/2: (2021-2025) Ecosystems are managed sustainably, and people benefit from participatory and resilient development and climate-smart solutions; CPD Output 2.3: Improved national and local governments capacities to introduce environmentally sound management practices for ecosystems, waste, and chemicals.										
Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets: Indicator 2.3.2: Hectares of ecosystems/lands rehabilitated or sustainably managed, including through innovative spatial/urban plans and rural community-based solutions, Baseline (2020): 0, Target (2025): 130,000										
Applicable Output(s) from the UNDP Strategic Plan: 4.1 Natural resources protected and managed to enhance sustainable productivity and livelihoods; 4.1.1 Number of people directly benefitting from initiatives to protect nature and promote sustainable use of resources (Female/Male); 4.1.2 Natural resources that are managed under a sustainable use, conservation, access, and benefit-sharing regime (Area of terrestrial and marine protected areas created or under improved management practices (hectares); Number of shared water ecosystems (fresh or marine) under new or improved cooperative management).										
Project title and Atlas Project Number: <i>Environmental Protection of Lake Sevan – EU4Sevan</i> , 00129871/00123402										
EXPECTED PROJECT OUTPUTS/ COMPONENTS	OUTPUT INDICATORS ⁵	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)					DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 2021	Year 2 2022	Year 3 2023	Year 4 2024	FINAL	
Output 1 <i>Improved management framework for protection of the Lake Sevan ecosystem and sustainable use of natural resources</i>	<i>1.1 No of Hectares of area effectively zoned and managed for multiple ecosystem benefits</i>	<i>Management plan implementation protocols</i> <i>Ministerial reports</i>	0	2020	0	0	125,000 ha	125,000 ha	125,000 ha	<i>Document review,</i> <i>Field data inventory and analysis, mapping,</i> <i>Local survey & questionnaires,</i>
	<i>1.2 Availability of the Lake Sevan National Park management plan</i>	<i>Government decisions</i>	<i>There has been no operational management plan for the</i>	2020	No	No	Yes	Yes	Protected area management plan developed and submitted	<i>Participatory meetings</i> Risk: <i>Inability to assess economic benefits of ecosystem services and derive direct</i>

⁴ UNDP publishes its project information (indicators, baselines, targets, and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that the indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

⁵ It is recommended that projects use output indicators from the Strategic Plan IRRF, as relevant, in addition to project-specific results indicators. Indicators should be disaggregated by sex or for other targeted groups where relevant.

		<i>Ministerial reports</i> <i>Project webpage and media page (Facebook, etc.)</i>	<i>protected area since 2010</i>						to the Government	<i>measurable benefits to local economy may result in reluctance to move away from unsustainable nature use practices</i>
Output 2 <i>Revised and updated policy, regulatory and institutional framework governing the protection and sustainable use of Lake Sevan</i>	<i>2.1 No of enhanced/updated policy and regulatory documents</i>	<i>Governmental decisions, Parliament bulletins</i>	0	2020	0	0	3	5	5	<i>Document review, Stakeholder consultation reports</i>
	<i>2.2 Institutional framework governing Lake Sevan issues is upgraded</i>	<i>Ministerial report</i>	<i>Though different public institutions are mandated to deal with Lake Sevan issues, overall miscoordination and institutional barriers are evident⁶</i>	2020	No	No	Yes	Yes	<i>Inter-sectoral coordination mechanism established and operationalised</i>	<i>Risk: The overall political and economic environment remains unstable and not conducive for conceptual regulatory improvements</i> <i>Disputes over mandates and responsibilities threaten the efficiency of law-making and enforcement of regulations</i>
Output 3 <i>Enabling environment created for long-term development planning and implementation of response measures to address water level rising</i>	<i>3.1 Analytical basis in place for evidence-based long-term decision-making on Lake Sevan protection, conservation, and sustainable use</i>	<i>Ministerial reports</i> <i>Independent Study Review</i>	<i>The risk associated with the impact of the rising water level on infrastructure, environment, and population well-being was never assessed, and no studies</i>	2020	No	No	Yes	Yes	<i>A comprehensive study with full environmental and socio-economic dimensions to address the risks associated with the impact on</i>	<i>Document review, Stakeholder consultation reports</i> <i>Local surveys & questionnaires</i> <i>Document review,</i>

⁶ Chapter Four of the Law on Lake Sevan (2001) sets mandates of authorities at national, regional, and local levels in the field of restoration, reproduction, and use of the Lake Sevan ecosystem, including the involvement of Academia through the setup of special expert commission. In addition, in 2008 the President directed to set up a new Commission to study all the issues related to Lake Sevan; thus, in practice the distribution of function between the Ministry of Environment and both Commissions seems unclear.

			<i>were ever conducted</i>						<i>physical infrastructure and landscapes is available</i>	<i>Stakeholder consultation reports</i>
	<i>3.2 Long-term action-plan with cost estimates to tackle water level rising developed and submitted to the Government</i>	<i>Ministerial reports Action plan and development process documentation</i>	<i>No long-term vision, action plan, and budget scenarios to tackle complex issues associated with water level rising</i>	<i>2020</i>	<i>No</i>	<i>No</i>	<i>No</i>	<i>Yes</i>	<i>Roadmap and long-term action plan documents to address the consequences of water level rising are submitted to the Government</i>	<i>Risk:</i> <i>Political processes in the country related to the crisis may lead to processes of restructuring, creating uncertainties in long-term policy priorities and financial commitments</i>
Output 4 <i>Technical support to cleaning of the Lake's flooded forest and surrounding swamp areas and planning of afforestation/reforestation activities to support Lake Sevan basin ecosystem rehabilitation</i>	<i>4.1 Number of designed and submitted document packages on Lake cleaning and forest rehabilitation</i>	<i>Records and reports of the service provider, act of acceptance, Ministerial reports, monitoring data, handover documents</i>		<i>2020</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>2</i>	<i>Comprehensive document package in place on Lake Sevan cleaning and forest rehabilitation</i>	<i>Document review</i> <i>Risk:</i> <i>Lack of financial and technical capacities in the Sevan National Park may lead to inefficient implementation of the designed Lake Sevan cleaning and forest rehabilitation measures</i>

VI. MONITORING AND EVALUATION

55. A results-based monitoring system will be established to generate data on the progress of the overall Project. UNDP, in partnership with GIZ, will monitor the implementation progress and the results based on the overall EU4Sevan European Union Action's log-frame and work plan. UNDP will be responsible for the monitoring of its respective outputs, indicators, and activities, while GIZ will be responsible for compiling and submitting the overall report to the EU, including the results at the outcome level. The logframe will be used as a management tool, allowing GIZ and UNDP to carry out adjustments and revisions at the output, activity, and indicator level in order to effectively achieve the expected specific objective.

56. In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans:

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (If joint)	Cost (If any)
Track results progress	Progress data against the results indicators in the RRF will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Semi-annually	Slower than expected progress will be addressed by project management. In the inception phase and along the implementation, a variety of tools and methods will be applied to regularly assess both quantitative and qualitative progress indicators	GIZ	n/a
Monitor and Manage Risk	Identify specific risks that may threaten the achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	At least annually	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.	n/a	n/a
Learn	Knowledge, good practices, and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.	GIZ, EUWI+	\$3,000 USD
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision-making to improve the project.	At least annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	n/a	n/a

Review and Make Course Corrections	Internal review of data and evidence from all monitoring actions to inform decision-making	At least annually	Performance data, risks, lessons, and quality will be discussed by the project board and used to make course corrections.	GIZ	n/a
Project Report	A progress report will be presented to the donor, consisting of progress data showing the results achieved against predefined annual targets at the output level, the annual project quality rating summary, an updated risk log with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)		n/a	n/a
Project Review (Project Steering Committee)	The project's governance mechanism (i.e., project Steering Committee) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the final year, the Project Steering Committee shall hold an end-of-project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	At least annually	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues should be identified.	GIZ	\$4,500 USD
Periodic Monitoring through site visits	UNDP CO will conduct visits to project sites based on the agreed schedule in the project's Annual Work Plan to assess the project progress first-hand. Other members of the Project Steering Committee may also join these visits. A Field Visit Report may be prepared after the visit.	At least quarterly		GIZ	\$15,000 USD

If the Contracting Authority plans to send a monitoring and/or evaluation mission for this Project, UNDP will support such mission in a collaborative manner.

VII. MULTI-YEAR WORK PLAN ⁷⁸

All anticipated programmatic and operational costs to support the project, including development effectiveness and implementation support arrangements, need to be identified, estimated, and fully costed in the project budget under the relevant output(s). This includes activities that directly support the project, such as communication, human resources, procurement, finance, audit, policy advisory, quality assurance, reporting, management, etc. All services which are directly related to the project need to be disclosed transparently in the project document.

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year				RESPONSIBLE PARTY	PLANNED BUDGET		
		Y1 2021	Y2 2022	Y3 2023	Y4 2024		Funding Source	Budget Description	Amount
Output 1: <i>Improved management framework for protection of the Lake Sevan ecosystem and sustainable use of natural resources</i>	1.1 Data gathering, analysis, and development of the park management vision and objectives 1.2 Evaluation and identification of park zoning options 1.3 Design of the draft Lake Sevan National Park (IUCN II) Management Plan and processing public consultation 1.4 Finalisation and submission of the Management Plan	9,202	74,266	61,825	51,603	UNDP	EU	71200 - International consultants	16,737
								71300 - Local consultants	35,538
								71400 - Contractual Service Ind.	21,300
								71600 - Travel	7,042
								72100 - Contractual services - companies	96,354
								74200 - Audio visual & printing and production costs	7,042
								75100 - Facilities and Administration	12,882
Sub-Total for Output 1								196,896	

⁷ Cost definitions and classifications for programme and development effectiveness costs to be charged to the project are defined in the Executive Board decision DP/2010/32

⁸ Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be approved by the donor. In other cases, the UNDP Resident Representative may sign the revision. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

Output 2: <i>Revised and updated policy, regulatory and institutional framework governing the protection and sustainable use of Lake Sevan</i>	2.1 <i>Revision of the existing policy and regulatory framework governing Lake Sevan management and gap analysis</i>	27,499	41,027	54,937	0	UNDP	EU	71200 - International consultants	21,937
	2.2 <i>Defining a new long-term national vision for Lake Sevan and updating the policy and regulatory framework</i>							71300 - Local consultants	30,737
	2.3 <i>Setup of an efficient inter-sectoral coordination mechanism to support the implementation and monitoring of policy enforcement measures</i>							72100 - Contractual services-companies	55,343
								75700 - Workshops	7,369
								75100 - Facilities and Administration	8,077
Sub-Total for Output 2								123,462	
Output 3 <i>Enabling environment created for long-term development planning and implementation of response measures to address water level rising</i>	3.1 <i>Conduct a comprehensive study of the consequences/impact of raising the level of water in the lake with full environmental and socio-economic dimensions – to address the potential risks associated with impact on physical infrastructure (roads and construction facilities) and landscapes (forests, agricultural and other community lands)</i>	17,120	33,500	139,092	87,283	UNDP	EU	71200 - International consultants	47,500
	3.2 <i>Elaboration of a road map and long-term plan with cost estimates to tackle and address water level rising</i>							71300 - Local consultants	33,016
								72100 - Contractual services-companies	165,493
								74200 - Audio visual & printing and production costs	12,864
								75100 - Facilities and Administration	18,122
Sub-Total for Output 3								276,995	
Output 4 <i>Technical support to cleaning of the Lake's flooded forest and surrounding swamp areas and planning</i>	4.1 <i>Detailed site assessment for determination of a new bill of quantities (for up to 3,000 ha area) for further cleaning works</i>	71,690	59,978	71,585	0	UNDP	EU	71300 - Local consultant	23,474
	4.2 <i>Support in the verification and design of 5,000 ha of afforestation/reforestation program</i>							71600 - Travel	4,695
								72100 - Contractual services-companies	92,439
								72200 – Equipment & furniture	67,000

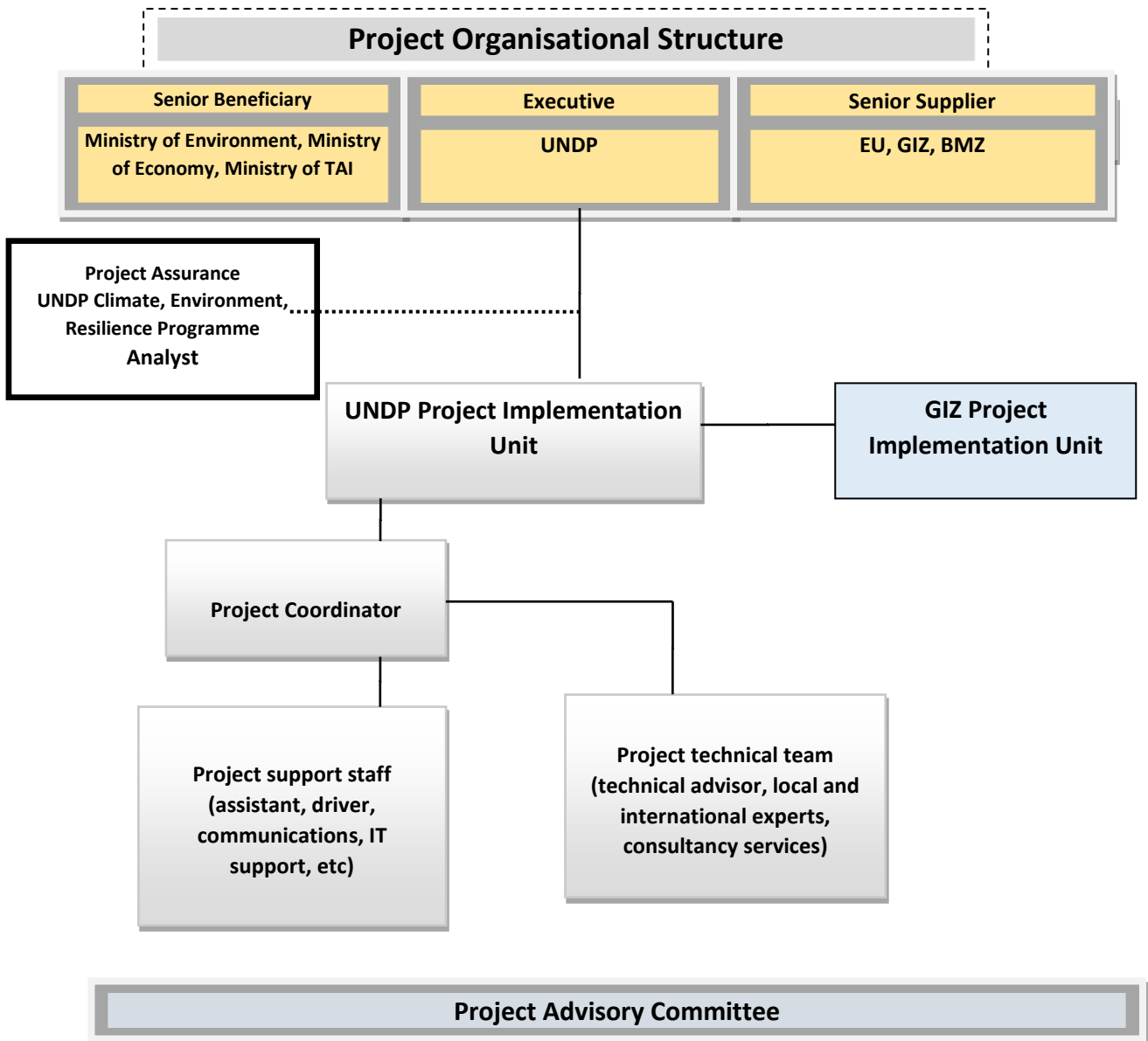
<i>of afforestation/reforestation activities to support Lake Sevan basin ecosystem rehabilitation</i>	<i>(will be further incorporated into Lake Sevan national park management plan)</i>							74200 - Audio visual & printing and production costs	2,347
	<i>4.3 Equipment supply to facilitate riparian zone cleaning activities</i>							75100 - Facilities and Administration	13,297
	Sub-Total for Output 4								203,253
Project management	<i>Human resources</i>	71,022	100,069	103,755	90,862	UNDP	EU	64300- Staff DPC	34,331
	<i>Travel</i>							71400 - Contractual Service Ind.	207,768
	<i>Equipment and Supplies</i>							71600 - Travel	12,237
	<i>Local office</i>							72200 - Equipment & furniture	400
	<i>Other costs/services (audit, conferences, and workshops, etc.)</i>							72300 - Materials & goods	3,521
								72400 - Communication and audio-visual equipment	8,446
								72500 - Supplies	5,634
								72800 - IT equipment	3,351
								73100 - Rental and maintenance of premises	24,824
								73300 – Rental & maintenance of info tech. equipment	1,000
								73400 – Rental & maintenance of other equipment	600
								74100 - Professional services (Audit)	5,634
								74200 - Audio visual & printing and production costs	23,474
	75700 - Workshops	10,563							

								75100 – Facilities and Administration	23,926
	Sub-total for management								365,709
Total Direct Cost		183,676	288,634	402,983	214,718	UNDP	EU		1,090,011
General Management Support (indirect cost 7%)		12,858	20,206	28,210	15,030	UNDP	EU		76,303
TOTAL									1,166,314*

**Note: Minor deviations in the sum of annual budgets and total amount may occur because of rounding calculation in the original budget in excel format.*

VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

57. The Project organizational structure is aimed to ensure clear and effective division of labour and decision-making powers, ownership by the beneficiaries, and appropriate involvement of and coordination among all stakeholders.



Project Steering Committee (PSC)

57. The PSC with members representing the main involved partners (Ministry of Environment, Ministry of Economy, Ministry of Territorial Administration and Infrastructure, and other relevant institutions as deemed necessary) will be set up as the main coordination and consensus-based decision-making body. EU as the contracting authority as well as GIZ and UNDP as implementing partners will be part of the PSC. Other potential members of the Project Board will be reviewed and recommended for approval during the Local Project Appraisal Committee (LPAC) meeting. The PSC will provide overall guidance and direction to the project, ensuring it remains within any specified constraints. More specifically, the PSC will:

- Appraise and approve project annual work plans, review any essential deviations from the original plans
- Review and approve annual, mid-term, and terminal project reports, make recommendations for follow-up actions
- Provide ad-hoc direction and advice for exceptional situations where the project manager's tolerances are exceeded
- Assess and decide on conceptual project changes if necessary (outcome level)
- Ensure that all planned deliverables are delivered satisfactorily and programme management directives are compiled
- Ensure that all products/outputs are delivered satisfactorily at the end and make recommendations for follow-up actions and post project review plan, etc.

58. The PSC will play a critical role in project monitoring and evaluations (if any) by assuring the quality of these processes and associated products, and by using evaluations for improving performance, accountability, and learning. PSC decisions shall be made in accordance with international standards that shall ensure management for development results, best value for money, fairness, integrity, transparency, and effective international competition. The PSC will meet at least twice a year (unless otherwise required).

59. The **Executive Role** will remain with UNDP Country Office that will serve as the implementing partner for the project. UNDP will be responsible for full execution of the project activities, including planning, implementation, monitoring, evaluation, and coordination with other initiatives.

60. The **Senior Supplier Role** requires the representation of the interests of the funding parties for specific cost sharing projects and/or technical advice to the project. The Senior Supplier's primary function within the PSC will be to provide guidance regarding the feasibility of the proposed activities. This role will rest with the representatives of the EU delegation to Armenia, and GIZ.

61. The **Senior Beneficiary Role** requires representing the interests of those who will ultimately benefit from the project. The Senior Beneficiary's primary function within the PSC will be to ensure the realization of project results from the perspective of different stakeholders and beneficiaries. The Ministry of Environment is the primary beneficiary based on the mandate on addressing water management and protected area management policies in the country. The Project organizational structure is aimed to ensure clear and effective division of labour and decision-making powers, ownership by the beneficiaries, and appropriate involvement of the Ministry of Territorial Administration and Infrastructure as well as the Ministry of Economy in the Steering committee.

Project Assurance

62. The Project Assurance role supports the PSC by carrying out independent project oversight and monitoring functions which are mandatory on all projects. Project Assurance role must be independent of the Project Coordinator; therefore, the Project Steering Committee cannot delegate any of its assurance responsibilities to the Project Coordinator. The Project Assurance role will rest with the Climate, Environment and Resilience Programme Analyst of UNDP CO.

63. The following list includes the key suggested aspects that need to be checked by the Project Assurance throughout the project as part of ensuring that it remains consistent with, and continues to meet, a business need and that no change to the external environment affects the validity of the project:

- Maintenance of thorough liaisons between the partners and stakeholders throughout the project
- Beneficiary needs and expectations are being met or managed

- Risks are being controlled
- Adherence to the Project Justification (Business Case)
- Constant reassessment of the value-for-money solution
- The project remains viable; the scope of the project is not “creeping upwards” unnoticed
- Internal and external communications are working
- Applicable standards are being used and followed
- Any legislative constraints are being observed
- Adherence to quality assurance standards.

Project Implementation:

64. The Project Implementation Unit (PIU) will be established under the UNDP Climate, Environment and Resilience portfolio comprising of permanent staff including a Project Coordinator (PC), a Project Assistant, and a Driver/Clerk. Other technical resource persons/technical advisors and expert team support staff may be hired upon requirement. The Project Coordinator will be recruited on a competitive basis with the authority to run the project technical and operational activities on a day-to-day basis on behalf of the implementing agency within the constraints laid down by the PSC. The PC's prime responsibility is to ensure that the project produces the results specified in the project document, to the required standard of quality and within the specified constraints of time and cost. Development and consolidation of work plans, preparation of quarterly/annual progress reports, supervision of the work of the project thematic experts, etc., are the major responsibility of the PC. Technical teams of long-term and short-term national and international consultants, as well as professional consultancy services will be brought at different stages of implementation. Under the direct supervision of the PC, the Project Administrative Assistant will be responsible for full administrative, logistical, and financial issues.

65. Since GIZ will be the implementing partner for major outputs of EU4Sevan Description of Action, there will be close coordination between the two partners to ensure smooth implementation and to avoid any duplication of efforts. For this reason, regular coordination meetings will be held between the project managers and respective programme officers in Yerevan and in the region, but also between the Head of the GIZ Office and the UNDP Resident Representative to share information, update on the implementation of the progress, and plan joint activities.

Advisory Committee:

66. The main requirement for the successful implementation of the project is sustained political commitment and broad-based public support. Thus, the involvement of a wider list of stakeholders will be necessary. For this purpose, a multi-stakeholder advisory committee will be established as an advisory body to provide technical and operational guidance for project implementation policy ensuring the project's consistency and synergy with other ongoing development processes in the country. In addition to the Ministries involved in the PSC, representatives from line ministries (such as the Ministries of Territorial Administration and Infrastructure, Health, Economy, Finance, Regional Administration), selected local authorities, Community-Based Organization, NGOs, and the scientific sector will be invited for membership. The Advisory Board will be co-chaired by a representative from UNDP. The meeting of the Board will be held once a year unless otherwise required and will be guided by decisions and recommendations of the project board.

IX. LEGAL CONTEXT

67. This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Armenia and UNDP, signed on 8 March 1995. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

68. This project will be implemented by UNDP (“Implementing Partner”) in accordance with its financial regulations, rules, practices, and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

X. RISK MANAGEMENT (STANDARD OPTION FOR DIM)

69. UNDP as the Implementing Partner will comply with the policies, procedures, and practices of the United Nations Security Management System (UNSMS.)

70. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

71. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).

72. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.

73. In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse (“SEA”) and sexual harassment (“SH”) allegations in accordance with its regulations, rules, policies, and procedures.

74. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.

75. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor, and sub-recipient:

- a. Consistent with the Article III of the SBAA [*or the Supplemental Provisions to the Project Document*], the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP’s property in such responsible parties,

subcontractor's and sub-recipient's custody, rests with such responsible party, subcontractor, and sub-recipient. To this end, each responsible party, subcontractor, and sub-recipient shall:

- i. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried
 - ii. assume all risks and liabilities related to such responsible parties, subcontractor's and sub-recipient's security, and the full implementation of the security plan.
- b. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible parties', subcontractors', and sub-recipients' obligations under this Project Document.
- c. In the performance of the activities under this Project, UNDP as the Implementing Partner shall ensure, with respect to the activities of any of its responsible parties, sub-recipients and other entities engaged under the Project, either as contractors or subcontractors, their personnel and any individuals performing services for them, that those entities have in place adequate and proper procedures, processes, and policies to prevent and/or address SEA and SH.
- d. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud, or corruption, by its officials, consultants, subcontractors, and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption, and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
- e. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor, and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at www.undp.org.
- f. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors', and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.
- g. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.
- h. Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's

Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

- i. UNDP will be entitled to a refund from the responsible party, subcontractor, or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of this Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement. Recovery of such amount by UNDP shall not diminish or curtail any responsible parties', subcontractors', or sub-recipients' obligations under this Project Document.

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors, and sub-recipients.

- j. Each contract issued by the responsible party, subcontractor, or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions, or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.
- k. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
- l. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled "Risk Management Standard Clauses" are adequately reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

XI. ANNEXES

- 1. Project Quality Assurance Report**
- 2. Social and Environmental Screening Template**

3. Risk Analysis

Project Title: Environmental Protection of Lake Sevan – EU4Sevan				Project Number: 00129871/00123402	
#	Description	Risk category	Impact & Likelihood = Risk level	Risk Treatment/Management Measures	Risk Owner
1	Political processes in the country may lead to processes of restructuring, creating uncertainties in policy priorities and institutional set up	Political	Unstable governance landscape and continuous ministerial reorganisation may cause instability and reorientation of policy priorities, as well as may disturb the administrative setup and cause fluctuation in staff needed for the project implementation P=3 I= 3	Continued political and policy dialogue and interactions with the Government of Armenia. The programme foresees support to the new institutional set up and capacity-building activities. The project may also revisit implementation mechanism and invest into capacity development not just for individual people but organisations to mitigate the risks associated with staff fluctuation	UNDP senior management, Project coordinator
2	Change of the security situation along the Gegharkunik border	Political	Difficulties/security restrictions for operating in certain sub-regions impose risk to data gathering and stakeholder engagement P=3 I=5	Follow up on security situation in the country, especially along the borders and follow DSS requirements	UN DSS Project Coordinator
3	Economic development promoted at the expense of natural resources degradation	Political	Politicians prioritise ecological concerns to a lesser extent than public services and economic development, particularly in the post-crisis setup P=4 I=4	Introduction of comprehensive valuation methodologies/tools during assessments and planning activities to emphasize the link between the environmental, economic and social aspects for evidence-based decision making	Project coordinator
4	Special business interests of certain groups might obstruct the rollout of any concepts and policies that are developed	Strategic	The reputation of the project is undermined and Lake Sevan surrounding communities are disinterested in new planning and regulatory mechanisms P=4 I=3	Introduction of transparent processes and consultation mechanisms. Broad partner structure and adequate civil society participation, training for key actors also outside the environment ministries	Project coordinator
5	Uncoordinated support programmes by different donors and public institutions	Operational	Limited sectoral interventions with short-term benefits mislead to underestimation of benefits associated with revised policy and regulatory framework in longer perspectives P=2 I=3	Promote proactive donor and intra-sectoral coordination under the leadership of the Ministry of Environment, and support to wider information exchange and coordination under the project	UNDP management, Project coordinator
6	Inter-sectoral disputes over mandates and responsibilities threaten the efficiency of law-making and enforcement of regulations	Strategic	Lengthy negotiations between multiple stakeholders impede project progress P=3 I=3	Corresponding policy consultancy, support for cross-sector and inter-institutional cooperation platforms, transparent communication	Project coordinator

7	Corruption risks, namely at local level, affect the effectiveness and sustainability of the Project interventions	Financial	Continuation of further corruption schemes may hamper the approval of proposed innovative sustainable resource management modalities and project activities at local level as a whole P=3 I=4	Support to evidence-based policy making and coordination platforms and continued awareness-raising measures helps to generate greater transparency. Regular communication with local communities to visualise long-term benefits from the activities	Project coordinator
8	The effects of the Covid-19 pandemic and declaration of martial law affect the implementation of activities	Other	Travel restrictions for local and international experts, difficulties for operation in communities and specifically organisation of stakeholder consultations P=4 I=5	Close monitoring of the development of and alignment with the government's response to the effects of Covid-19	UNDP operations team Project coordinator