United Nations Development Programme

## PROJECT DOCUMENT
### *[Country: Armenia]*

**Project Title**: The Project for Supporting Basic Infrastructure and Social Integration for Displaced Persons from Nagorno-Karabakh and Host Communities.

**Project Number: 01001458**

**Implementing Partner: UNDP**

**Start Date:** April 1, 2024      **End Date: March 31, 2026**      **PAC Meeting date: 04.03.2024**

| Brief Description |
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|     Following large-scale military escalation in Nagorno Karabakh (NK) on 19 September 2023 the Armenians started leaving NK en masse arriving in Syunik region, where a humanitarian hub was set up by the Government of Armenia (GoA). As of 7 October 2023, 101,848 refugees had crossed in Armenia from NK and started settling in the regions of the country.  Most of the refugees are choosing the areas where they have family links, access to services, and feel secure. |
|     The GoA took immediate measures to receive the refugees. However, the unprecedented influx of refugees stirred a large-scale refugee crisis, which puts immense pressure on host communities, especially in terms of social cohesion and trust-building, shelter/housing, community level medical facilities, sustainable energy, and water supplies. Already weak social and energy infrastructure in host communities could hardly cope with local demands prior to the crisis. With the arrival of the refugees the most affected host-communities are completely overwhelmed and require comprehensive support to effectively cope with the refugee crises and ensure quality and sustainable provision of services to both local populations and refugees. |
|     Building on the strong partnership with the GoA at all levels and leaning on the cross-sectoral and interagency coordination mechanisms, UNDP sets out to respond to the ongoing refugee crisis in line with the Armenia Refugee Response Plan and UNDP's response vision to the crisis. To this end, the proposed project's main objective is to strengthen social cohesion and improve the quality and accessibility of essential services in host communities towards dignified and safe living conditions for the refugee and host populations. Following a balanced, needs-based, and people-centered approach responsive of the vulnerabilities of the most left-behind groups among the host and refugee populations, including women, children and people with disabilities, UNDP seeks to achieve the following results throughout the implementation of the project: |
| <ul><li>Social cohesion and trust-building among host communities and refugees are strengthened.</li><li>Safe and dignified shelter/housing is accessible for the displaced populations.</li><li>Local capacities are fostered to address the increased needs for health services.</li><li>Energy resilience of host communities is enhanced with long-lasting green energy solutions.</li><li>Sustainable land and water management practices are introduced in host communities through the establishment of water storage and distribution infrastructure.</li></ul> |

| Contributing Outcome (UNSDCF, CPD, RPD)[1]: UNSDCF Outcome 4/CPD 2021-2025 Outcome 1: People, communities and regions benefit from equitable economic opportunities, decent work and sustainable livelihoods, enabled through competitiveness and inclusive green growth. | | | |
|---|---|---|---|
| | **Total resources required:** | | USD 2,920,792 |
| | **Total resources allocated:** | | USD 2,920,792 |
| | | **UNDP TRAC:** | |
| Indicative Output(s) with gender marker: Output 1.1 Marginalized groups are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs. GEN2 | | **Donor:** | Government of Japan |
| | | **Government:** | |
| | | **In-Kind:** | |
| | **Unfunded:** | | N/A |

Agreed by (signatures):

| UNDP |
|---|
| Natia Natsvlishvili<br>Resident Representative |
| Date: 25.03.2024 |

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[1] Outputs 1.4 and 1.5 of the project are aligned also to the **UNSDCF Outcome 5 (CPD outcome 2): Ecosystems are managed sustainably, and people benefit from participatory and resilient development and climate smart solutions,** CPD Output 2.2 Low-emission measures, renewables and energy efficiency advanced and scaled. CPD Output 2.3: Improved national and local governments capacities to introduce environmentally sound management practices for ecosystems, waste, and chemicals.

## I.    DEVELOPMENT CHALLENGE (1/4 PAGE – 2 PAGES RECOMMENDED)

As a result of yet another military escalation in Nagorno-Karabakh [NK] 101,848 Armenian refugees have crossed into Armenia from NK through Lachin Corridor as of 7 October 2023, with reportedly a few hundred people left in NK. According to the latest available data from Government of the Republic of Armenia, the demographic profile of refugees from NK in Armenia is comprised of 52 % women and girls, 31 % children, 18 % older person, 2.5% people with disabilities. The refugees are distributed across Armenia, with highest population concentration in Yerevan (45,202), Syunik (12,185), Kotayk (8,235), Ararat (9,862), and Armavir (7,645). Most of the refugees are settling in areas where they have family links, access to services, and feel secure. The ongoing large-scale refugee crisis puts immense pressure on host communities, especially in shelter/housing, community level medical facilities, sustainable energy, and water supplies. Already weak social and energy infrastructure in host communities could hardly cope with local demands prior to the crisis. With the refugees' arrival, the most affected host communities are overwhelmed and require comprehensive support to cope with the refugee crises and ensure quality provision of services for locals and refugees.

The unprecedented scale of the influx of the refugees quickly outnumbered the scenario-based estimates and stretched out the response capacities of the GoA (the Prime-Minister stated that the country was prepared to receive 40,000 refugees). The observations from the field, the consultations with the national, regional, local administrations and the refugee populations, as well as the findings of the joint GoA-UN Rapid Needs Assessment (RNA) indicate, that thousands of people remained without access to basic services, including dignified shelter/housing, potable and hot running water, clean energy sources and adequate local healthcare services.

Despite pre-existing development challenges and hardships, almost every community in Armenia is hosting refugees from NK. The local populations took in the refugees with overwhelming solidarity and unconditional support at this still initial stage of the crisis. However, multiple challenges associated with new arrivals of refugees and respective pressures on already stretched communities' infrastructure may lead to growing dissatisfaction among locals, especially representing underprivileged population groups. The currently prevailing sense of solidarity is expected to be challenged by everyday complications arising from rapidly increased demand for services and support.

The host and refugee populations represent a diverse group of individuals from different backgrounds, who are yet to build connections, communality, and sense of belonging. In this respect, social cohesion is a vital aspect of fostering harmonious communities, especially in the fragile context of refugee crisis, where both the refugees and host communities face   multiple vulnerabilities and have unmet needs, which can be a source of tension, discontent, and mistrust. To enhance social cohesion, it is crucial to create safe spaces and platforms that encourage open dialogue and give opportunity for addressing issues in a participatory and inclusive way considering the needs and preferences of both host communities and refugees.

The social integration of refugees is further challenged by the day-to-day hardships that they face due to unmet needs, particularly for housing and shelter, which prevents them from settling down and build connections in host communities.  The RNA data confirms that adequate shelter is the most urgent need for most refugees. Particularly for the households living in empty buildings assigned by the municipalities or collective shelters, who need assistance to transform these spaces into adequate living areas largely through repairs and renovation works before more durable solutions will be designed. 35% of RNA key informants flagged the insufficiency of places to wash and bathe, referring to collective shelters and group accommodation for large families. High dependency of refugees on humanitarian assistance will prevent

thousands of them from moving out of municipal and collective shelters, and access rented houses for many months to come, as these houses come with a high price tag beyond their household budgets. In general, housing affordability in Armenia is the worst for the last several years due to inflation and increased demand related to the Ukraine war and the wave of emigration from the Russian Federation to Armenia. In this context, continued shelter support is essential to help the refugee households settle down and stabilize their situation for accessing jobs, education, healthcare, and other services. Currently the insufficient shelter response creates negative externalities both for the refugee households and host communities, undermining their resilience, increasing poverty levels, putting higher pressure on the social protection system, deepening inequalities, which may slow down the recovery process, and even reverse the development gains at local and national levels.

Substandard living conditions expose the refugees to high health risks and worsen chronic and other health issues. After emaciating months of poor access to food, medicine, and essential products, as well as wounded and injured because of escalations and big fire accident, many of the refugees arrived in already poor health and in urgent need of medical support. According to the data from the Ministry of Health, as of 20 October 2023, 41,280 refugees have been registered in polyclinics and outpatient clinics in host communities. However, considering chronic under-financing, substandard conditions of facilities, outdated and insufficient furnishings, the community healthcare facilities face difficulties to provide timely and quality services to the increased number of patients. Delays and inefficiencies in local healthcare services threaten to overload the medical facilities in the capital and regional centers. On the other hand, the hospitals in larger cities may be out of reach to the refugees in terms of financial and physical accessibility. Long overdue health issues of refugees require increased and urgent attention on the ground in their immediate vicinity. If they remain inadequately addressed, this may deepen the humanitarian situation putting at risk human security, public health, dignified life and recovery among the refugees and host populations.

Poor service quality in host communities is the result of not only lack of capacities, but also unsustainable models of service delivery. More than ever, the refugee crisis in the host communities underscores the need for introduction of green solutions in the local service provision and sustainable use of scarce natural resources. The evidence and lessons learnt from the double crisis back in 2020 indicate that utility costs, especially for energy and water will take the lion's share in community budgets, while for the most of vulnerable host and refugee households adequate heating, electricity and hot water will be beyond reach during the upcoming winter months. Utilization of green energy sources will strengthen energy security of host communities and refugees, especially in wintertime.

Sustainable service delivery in host communities is essential for reducing dependency on humanitarian assistance and building self-sufficiency. Unmitigated climate change and loss of vital community assets in the aftermaths of conflict escalations deprive many of the host communities of their essential resources, such as land and water. This undermines the resilience and food security of agriculture-dependent households among host and refugee populations. RNA results already flag high dependency of refugee households on humanitarian assistance for food accessibility, while recent data indicates to increasing food insecurity of about 23 percent of households in Armenia (WFP March 2023). This may increase extreme poverty and cause irreversible damage to human capital delaying recovery and creating long-term needs for humanitarian assistance. Sustainable water and land management could help increase resilience of local food production systems and bring down the risks of food insecurity. This will allow vulnerable agriculture-

dependent host and refugee households to produce efficiently with the scarce local resources and achieve self-sufficiency and resilience.

Thousands of refugees and local households depend on women as the sole-providers for the family, and caregivers of the children, wounded, elderly and family members with disabilities. In this respect, women play a significant role in the response and recovery process, meanwhile being highly affected by the ongoing refugee crisis. However, the gender-differentiated impact of the crisis is not yet fully assessed (relevant data will be provided by the upcoming sectoral household-based assessments), the findings of the RNA and refugee consultations indicate to disproportionate impact on women. The substandard living conditions in shelters, which occasionally are not adjusted to women's needs and culturally acceptable gender norms, increase the risks of gender-based violence, especially in the highly traumatized post-conflict environment. The inadequate living conditions with no accessibility to basic utilities increase the workload of women, who are already overloaded with unpaid domestic labor and care of the wounded, sick and disabled household members. Meanwhile poor access to services, including healthcare, put at stake the safety and wellbeing of women, especially those with chronic diseases and the pregnant. Altogether, these factors exacerbate the existing vulnerabilities of women, and may lead to their socioeconomic isolation and further exclude them from the labor market and social life deepening the existing gender disparities and restricting the key role that women play in crisis response and recovery. Given high representation of women in non-formal agricultural employment, the restricted access to water and land due to the protracted conflict and climate change, and unsustainable practices in using scarce local resources for production purposes, jeopardizes the livelihoods of women and increases their risks to poverty and food insecurity.

II.        STRATEGY (1/2 PAGE - 3 PAGES RECOMMENDED)

UNDP has been supporting the GoA, local communities, and people in responding to the protracted crisis since 2020, focusing on the most fragile and affected areas tin close cooperation with the Government of Armenia, Ministry of Territorial Administration, and infrastructure (MTAI) and other line ministries, as well as UN agencies, sectoral partners, humanitarian and development organizations, regional and local administrations. Thanks to its response and recovery efforts UNDP has reached out to around 135,805 conflict-affected people (71,977 women, 63,828 men, out of whom 4,200 refugee) for the period of 2020-2022, including both host and refugee populations, supporting them to access basic services, sustainable energy and other livelihoods means. These results were achieved through promoting social cohesion, rehabilitation of community infrastructure, renovation, and refurbishment of shelters, recovering access to energy and water through green solutions, renovation of healthcare facilities, to name a few.

The current project emerges from lessons learnt of UNDP crisis response and long-established partnerships with humanitarian and development actors, including national and sub-national authorities, UN Agencies, formal and non-formal actors strongly relying on the national and local institutional capacities and humanitarian coordination mechanisms, thus fully operating in **humanitarian-development-peace (HDP) nexus**. Project's contribution to HDP will capture the benefits of development investments in the early stages of recovery which stretch beyond the humanitarian response and strengthen the resilience on individual, community and national levels capturing the benefits of social cohesion, economic gains, human capital improvements and long-term productivity. Through HDP nexus approach the project will address the underlying causes of the crisis and capture long-term development results making sure that alongside humanitarian and development interventions, stability, and peace are achieved in the host communities and

for the refugees.    To this end, the project will dedicate special attention to social cohesion heavily relying on the locally available human resources, formal and non-formal groups to mobilize the communities and employ new techniques based on the specificities of host communities. More particularly, UNDP will utilize the capacities and outreach of existing Women and Youth Advisory Councils (WYAC) already established by UNDP. This vibrant network of women and youth in the communities of Armenia is capacitated on the topics of direct democracy, participatory decision and gender equality making women and youth voices heard at local level and will advance the project's contribution to **United Nations Security Council Resolution 1325 (2000).** Recognizing the vulnerability of women during the conflict and addressing them though a gender-mainstreamed approach, the project will bring forward the critical role they play in crisis response and recovery with the help of WYACs. Women and youth-led facilitation will support identification and prioritization of the needs of women and girls, will give them a central role in the design and implementation of social cohesion initiatives, and will promote integration and engagement of women through offering safe conditions for their meaningful participation in all stages of project implementation.  Prioritizing protection of women and girls, and prevention of gender-based violence in line with the UNSC Resolution 1325 UNDP will carefully integrate the concerns and needs of women and girls in all stages of delivering the project support to mitigate the existing factors of gender-based violence and discrimination. To this end, preventive measures will be mainstreamed across social cohesion and infrastructure interventions to mitigate the risks related to community interactions and infrastructural deficiencies that may put women and girls at risk of gender-based violence and ensure privacy and safe access to services.

Next to inclusion of women and girls, the wider engagement of host and refugee populations in a participatory way will be a priority for the project. In this respect, the social cohesion/integration component will play an overarching role in mobilizing and engaging the refugee and host populations. The project will offer them a safe space and skillful facilitation for expressing their needs and concerns through a dialogue, empowering them with guidance and support towards jointly addressing  common issues and strengthening social cohesion.  This approach will allow UNDP to establish a feedback mechanism with the host and refugee populations, and tailor the assistance to actual needs and priorities of communities without creating tensions and negative distribution effects in line with accountability and conflict-sensitivity principles. The project will serve as a platform for mobilizing community engagement and will provide the host and refugee populations with a voice in decision-making. This will complement the focus on enhancing local service delivery capacities by empowering communities to collectively cope and manage the social and economic impacts of the conflict for bottom-up recovery and integration. With this, the project will help to restore the sense of belonging among the refugees and establish strong collaborative ties between the refugee and host populations which will strengthen the resilience and the response capacities of the local communities to future shocks complemented by safe and dignified living conditions for all.

The described approach and intervention strategy of the project is informed by the lessons learned from response and recovery efforts of UNDP from prior crises, which are formulated as follows:

- Social cohesion accelerates resilient recovery and helps the communities to build response capacities to withstand the future shocks through bonding people, building shared values, reducing community disparities, and increasing community cooperation during and after crisis.
- Preserving and strengthening service delivery capacities are vital for post-crisis recovery and development, as this will enable a transition from life-saving assistance to development-oriented

approaches with a focus on strengthening self-reliant recovery processes and enabling a progressive transfer of assistance from humanitarian to national service delivery mechanisms.

- Implementing project activities in close cooperation with national institutions enables scalable, rapid, and cost-effective delivery.
- The openness and transparency of the implementation process from the start has a crucial impact on the general perception of the project's support which should be fair and equitable without increasing tensions in the communities.
- Balanced support and inclusion of the refugee and host households, as well as different disadvantaged groups is particularly important to ensure conflict-sensitive approach and social solidarity and cohesion.

Throughout its implementation the project's main <u>objective will be to strengthen social cohesion and improve the quality and accessibility of essential services in host communities towards dignified and safe living conditions for the refugee and host populations</u> through achievement of the following results: i) Social cohesion and trust-building among host communities and refugees are strengthened; ii) Safe and dignified shelter/housing is accessible for the displaced populations; iii) Local capacities are fostered to address the increased needs for health services; iv) Energy resilience of host communities is enhanced with long-lasting green energy solutions; v) Sustainable land and water management practices are introduced in host communities through establishment of water storage and distribution infrastructure. Based on prior UNDP experience and following consultations with the key government partner, namely the Ministry of Territorial Administration and Infrastructure, the project will prioritize activities that benefit both refugees and host communities to prevent possible tensions and preserve social harmony in communities. All five project components are designed to enhance various aspects of social cohesion by engaging the refugee population and expanding opportunities and access to quality services for all.

The project will contribute to United Nations Sustainable Development Cooperation Framework for Armenia (2021-2025) (UNSDCF) Outcome 4/Country Programme Document for Armenia (CPD) 2021-2025 Outcome 1: People, communities and regions benefit from equitable economic opportunities, decent work and sustainable livelihoods, enabled through competitiveness and inclusive green growth and in line with UNDP Strategic Plan Output 1.3 Access to basic services and financial and non-financial assets and services improved to support productive capacities for sustainable livelihoods and jobs to achieve prosperity and CPD Output 1.1 Marginalized groups are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs.

The overall approach of the project is based on the following assumptions:

- Building mutual trust forms the cornerstone of bringing people together and building connections, which can help to overcome the trauma of displacement and offer both host and refugee populations a foothold for rebuilding their lives and jointly addressing problems.
- Access to safe, secure, and affordable housing leads to overall health well-being, basic security, and provides a base from which refugees can seek self-sufficiency and make connections with the wider community.
- Availability of water and sanitation increases protection levels of the refugees, particularly women and girls, as well as leads to increased development outcomes bringing down the levels of multidimensional poverty.

- Improving equitable access to sustainable energy leads to additional opportunities, including livelihoods, education, and health, for all, especially for women and girls.
- Sustainable management of natural resources, such as water and land, relieves the pressure on ecosystem, and prevents tensions between host and refugee populations for the access to scarce resources.
- Recovered access to improved basic services strengthens the social fabric in the host communities, brings down the risks of segregation and facilitates recovery and integration of the refugees.

The Theory of change of the project is formulated as follows:

**[i] IF** social cohesion and trust is strengthened among refugees and host communities; **[ii] IF** adequate access to shelter/housing is ensured for refugees; **[iii] IF** refugee's essential needs are met; including water, sanitation, healthcare, and clean energy; **[iv] IF** such services and assistance are provided in a balanced, gender-sensitive and inclusive way, and **[v] IF** the project assumptions hold true,

**THEN** safe and dignified living conditions for the refugee and disadvantaged host households will be achieved paving the way for their smooth integration into Armenia communities.

**III.        RESULTS AND PARTNERSHIPS (1.5 - 5 PAGES RECOMMENDED)**

*Expected Results*

The project is aligned to UNSDCF Outcome 4/CPD 2021-2025 Outcome 1: People, communities and regions benefit from equitable economic opportunities, decent work and sustainable livelihoods, enabled through competitiveness and inclusive green growth, Output 1.1: Marginalized groups are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs, and seeks to achieve the following outputs with the <u>overall objective</u> to strengthen social cohesion and improve the quality and accessibility of essential services in host communities towards dignified and safe living conditions for the refugee and host populations.

**Output 1.1 Social cohesion and trust-building among host communities and refugees are strengthened**

**Activity 1.1.1 Strengthen the capacity of Women and Youth Advisory Councils to facilitate restorative circle talks and conduct co-design exercises**

UNDP will utilize Women and Youth Advisory Councils' (WYAC) outreach in host communities to facilitate dialogue between refugee and local populations and support engagement of the refugees, specifically targeting women and youth. WYACs are formal units that have been established at the suggestion of community (municipality) heads, based on the decision of the community/municipality councils, with technical support of UNDP, and have an active role in community mobilisation, identification of community issues and design and implementation of community-based projects. WYACs will play a key role in initiating facilitated dialogue between the refugee and host populations, under the leadership of women and young people, as the first step to trust-building and social integration. The interaction between the groups will be organised in the format of circle talks, as a mediated group exercise with open participation for the refugees

and locals. This dialogue format will serve as the overarching element of the project i) building trust and connections between refugee and host populations for smooth integration of the refugees, promoting cohesion and reduced tensions between two groups; ii) allowing regular interactions with and between the refugees and local populations, which will help to iteratively identify their needs and problems informing the design of joint projects as the next stage of circle talks and informing implementation of other project components; iii) sharing awareness about the added value of the project support directed to addressing common needs, building adequate perception and expectations of project support and facilitating the engagement of refugees and host populations into implementation process.

The project will strengthen the capacities of WYACs, as the facilitator of the circle talks to ensure they are equipped with necessary techniques and methodologies for facilitating constructive dialogue between host population and refugees, engaging them into prioritization of issues and problem-solving. Circle talks as a social change methodology will be used to create a safe space where both host and refugee populations can share their concerns, grievances, experiences and future aspirations. Open conversations will contribute to building mutual trust, which is a cornerstone of social cohesion as individuals from diverse backgrounds come together to discuss issues and find shared solutions in the interest of everyone. These talks will also help to develop a shared understanding of the specificities of refugee and host communities and a future vision.

The WYAC members will use the insights and problems identified during the circle talks for the design stage of joint projects through a co-design exercise. Co-design exercises are facilitated creative process, which will engage both refugees and host populations in identification and formulation of joint projects addressing common needs. For smooth facilitation of this process, WYAC capacities will be strengthened in conducting codesign exercises to help refugees and host populations to cooperatively design solutions and pilot them for enhancing social cohesion.  The sub-activities under Activity 1.1.1 are the following:

- Develop capacity building modules and organize the training sessions for WYAC members from target communities.
- Facilitate the circle talks in target communities (up to 120) by WYAC members.
- Promote activities in the project outputs 1.3, 1.4, 1.5 as examples of development solutions specifically designed for addressing common needs of both refugees and host communities.
- Advance positive narratives articulating that refugees and host communities bring unique values and skills that can benefit one another.


**Activity 1.1.2. Co-design and pilot five solutions that will strengthen the social cohesion between refugees and host communities**

The project will co-design and pilot overall five solutions as a strategic initiative aimed at robustly enhancing social cohesion between refugees and host communities. This process involves a collaborative and inclusive approach, bringing together representatives from both groups with a focus on women to actively participate in the development of solutions that address common challenges and promote shared interests.

Co-design and joint creation of solutions for strengthening social cohesion are important.  This approach emphasizes that the solutions for the existing issues are not imposed but rather crafted through a participatory process. It also recognizes the unique perspectives, experiences, and needs of both refugees and host communities, ensuring that the proposed solutions resonate with the diverse stakeholders involved.

The objective of co-design and pilot of the social cohesion strengthening solutions is to serve as practical, tangible measures that directly contribute to building bridges between refugees and host communities. The sub-activities under Activity 1.1.2 are the following:

- Develop the co-design methodology for collecting the ideas/solutions for strengthening the social cohesion.
- Validate the solutions with the experts' groups so that they organically fit the development context at the local level and well aligned with ongoing community development plans and activities.
- Pilot the initiatives (overall five) in 5 communities with engagement of both refugees and locals.

**Output 1.2 Safe and dignified shelter/housing is accessible for the displaced populations**

**Activity 1.2.1 Rehabilitate and refurbish shelters and housing for refugees, including access to water, sanitation, and hygiene**

UNDP in close cooperation with the Ministry of Territorial Administration and Infrastructure, local administrations and host communities will provide support towards the improvement of accessibility and quality of basic services and shelter to the refugees living in sub-standard conditions. Up to 8 public facilities sheltering refugees and vulnerable population will be selected and renovated. For selection of facilities, UNDP is working with partners to establish criteria based on the most-updated data on the housing situation of refugees both in terms of availability, conditions, access, and quality. The priority is given to the buildings that can be quickly renovated and have the capacity to accommodate the biggest number of refugees. The lists of refugees to be placed in the renovated buildings will be compiled by the MLSA in coordination with regional authorities and host communities. The priority will be given to refugees with multiple vulnerabilities: multi child households; families with single parent; families with a member with disabilities, vulnerable women-headed households, etc. The activity will improve the sub-standard accommodation conditions of the refugees in old and damaged buildings as well as create a much-needed new space for housing those refugees who are now sheltered by the local population and relatives but will face a need to move out in the nearest future. Design packages will be developed by specialized companies contracted by UNDP that have necessary expertise, licenses, so that the designs are in accordance with the respective standards stipulated by the Armenian legislation. The renovation of public facilities used as refugee shelters delivers not only immediate benefits to the affected populations but also contributes to social cohesion capturing recovery results both for the refugees and host communities. The social integration component of the activity envisages engagement of the refugee populations in the renovation works whenever possible, on the one side allowing them to use their knowledge and skills and regain self-worth, on the other side facilitating their entry into the labour market through on-the-job learning opportunity. The comprehensive support may envisage infrastructure improvements, which will restore the access of the refugee population to basic services, including running hot water and sanitation facilities. The sub-activities under Activity 1.2.1 are the following:

- Develop design packages.
- Rehabilitate selected shelters and public buildings (up to 8).
- Furnish and equip renovated facilities.

**Output 1.3 Local capacities are fostered to address the increased needs for health services**

**Activity 1.3.1 Modernize rural ambulatories in host communities towards increasing local capacities to address the increased needs for health services**

Under this activity UNDP will provide needs-based support by renovating, refurbishing, providing medical equipment to primary healthcare facilities for improvement of quality and speed of local healthcare service delivery. UNDP has long track record of cooperation with the local administrations and the Ministry of Health [MoH] and will continue joint efforts in upscaling renovation works in line with the national standards to cover increased healthcare needs in host communities. The detailed specification of needs for selected medical facilities, including the list of required equipment will be done jointly with the MOH, regional authorities, and host communities in the inception phase of the project. The monitoring will be implemented with host communities and administrations of medical facilities. The sub-activities under Activity 1.3.1 are the following:

- Map increased needs and development of design packages.
- Rehabilitate selected rural ambulatories (up to 10).
- Upgrade medical facilities with specialized furniture and medical equipment.

**Output 1.4 Energy resilience of host communities is enhanced with long-lasting green energy solutions**

**Activity 1.4.1 Provide critical infrastructure support through hybrid energy solutions for refugees and host communities**

UNDP will support introduction of a 2-kW mobile hybrid emergency stations in host communities for facilitated access of refugee and local populations to clean energy for critical needs in emergency situations. Unlike traditional solar power (photovoltaic/PV) systems, a model mobile hybrid solar system is designed for easy disassembly and redeployment, making it a viable and sustainable solution for beneficiaries, as a clean energy source to satisfy basic energy needs. The system encompasses solar power (PV) panels, a hybrid inverter, and a battery bank, that convert sunlight into chemical electricity in the batteries and back to electricity when needed. Hybrid solar systems have both on-grid and off-grid capabilities, allowing to continue running on solar power even if the grid goes down. Depending on the needs, the solar energy equipment can be scaled (by adding additional panels) and redeployed or used as fixed stations. These systems, successfully piloted and tested by UNDP, are equipped with a 300 Ah storage battery that has a sufficient capacity to provide essential circuits such as lighting and communications when the main power supply fails, which is not uncommon in Armenia. The stations will be placed in public housing facilities, medical facilities, rapid response, emergency, and essential service centres. Analysis of the recent major escalations' implications on settlements has proved the necessity of such autonomous mobile energy sources with electricity storage system. They can operate on a grid-connected to produce energy in ordinary times, while are able to switch to autonomous mode during crisis / emergency situations. The sub-activities under Activity 1.4.1 are the following:

- Conduct preparatory works for installation of hybrid mobile stations based on local needs assessment.

- Procure and install at least 140 units of hybrid mobile stations in shelters/housing facilities and public buildings, including local medical facilities.
- Build local capacities to manage modern hybrid energy systems in sustainable manner, both in regular and emergency times.

**Output 1.5 Sustainable land and water management practices are introduced in host communities through establishment of water storage and distribution infrastructure**

**Activity 1.5.1 Introduce climate-smart water management practices through construction of alternative small-scale water storage facilities**

Application of climate-smart agro-ecology will help host communities to use resources more efficiently, including less land, water, and inputs to produce more food. This will foster sustainable recovery and resilience to shocks and climate change effects. Activities under this output aim at ensuring the rational use of scarce water resources for improved agricultural productivity and increased farmers income. Upstream water storage solutions will be applied for collection of surface water sources and improved water distribution systems. It is planned to construct 2 low-cost water storage facilities with capacity of 10,000 m3 each along with distribution networks to benefit at least 2,500 members of 2 select host communities. For non-gravity flow systems, the energy-efficient and PV-powered pumps combined with innovative water-saving technologies and practices may be considered to optimize and/or offset the energy costs. Based on the UNDP historic data and preliminary discussions with the Ministry of Territorial Administration and Infrastructure, it is expected that at least 400 ha of arable land will be returned to irrigation, considering an estimated storage capacity of a planned reservoir and expected water demand as per current irrigation norms. The selection of communities will be done in close cooperation with the Ministry of Territorial Administration and Infrastructure, based on the developed selection criteria. The sub-activities under Activity 1.5.1 are the following:

- Design alternative small-scale water storage facilities and distribution systems to ensure water for agricultural and domestic use in at least 2 selected communities.
- Conduct construction of water storage facilities and distribution systems to ensure improved water supply for agricultural and domestic use.

*Resources Required to Achieve the Expected Results*

UNDP in Armenia will use organisational structures in place to serve as project implementation unit, namely UNDP Country Office Socioeconomic Development (SED) Portfolio, the Climate, Environment and Resilience (CER), Gender Equality Portfolio. To increase cost effectiveness, smooth and quick rollout of planned activities, UNDP will build on existing programme capacities and operational infrastructure leveraging available in-house expertise and resources, including office space, IT equipment, internet connection, furniture and support services. For implementation of Output 1.1 Gender Equality Portfolio will engage Task Lead, a Local Self-Government Expert and a Driver. For implementation of Outputs 1.2 and 1.3 Socioeconomic Development Portfolio will engage Project Coordinator, two Task Leads, Engineering Expert, Project Assistant and Driver, contracted services of specialised companies for design package development

and construction works, and hired experts for mapping needs and medical procurement. SED Portfolio Manager will provide overall quality assurance and guidance as well as coordination with partners.

For the Outputs 1.4 and 1.5 the project will deploy a Task Lead to manage the activities, and thematic experts in energy and hydrology. The Task Lead will work under direct supervision of Project Coordinator. The Task Lead will be responsible for the implementation, development, monitoring of activities, managing financial delivery and ensuring results as per the project work plan for Outputs 1.4 and 1.5 CER Portfolio Manager will provide oversight services.

UNDP Resident Representative will lead the consultations with the project's key national partners, the Embassy of Japan in Armenia and other partners. Deputy Resident Representative will exercise overall supervision of the project implementation.

The project will need the operational support of UNDP for processing its financial, procurement and HR related operations in procurement of goods, works, and consultancy services throughout the project. The UNDP Country Office Communication Analyst will ensure that the project results are prominently captured and professionally communicated to various target audiences. The CO Results-based Management Analyst will ensure proper monitoring of project implementation. The project implementation will be supported by respective UNDP HQ teams and capitalize on the knowledge and expertise of Japanese professionals working for UNDP, including UNDP focal point in HQ Crisis Bureau Mr. Hiroshi Kuwata, Programme Specialist for the Europe and CIS, as well as Mr. Naoki Nihei, Strategic Partnership and Resource Mobilization Adviser from UNDP Tokyo office.

### *Partnerships*

UNDP will build on strong partnership with the Government at all stages of project implementation, from design to rollout of activities. The project interventions will be closely coordinated with line ministries and the regional and local administrations for effective targeting and inclusion of the most vulnerable groups. More specifically, the project will be implemented in partnership with the Ministry of Territorial Administration and Infrastructure, the Ministry of Labor and Social Affairs, the Ministry of Health, the Ministry of Environment.

When it comes to the overall national response coordination architecture, the project will be closely coordinated with the established cross-sectoral and interagency collaboration framework in line with the Armenia Refugee Response Plan. Considering the vast engagement of the Government, United Nation's Country Team, international community, CSO and other partners in the refugee response, it will be of utmost importance to closely cooperate with all the relevant stakeholders. Primarily, UNDP will coordinate efforts with UNHCR, IOM and other relevant partners to avoid duplications and respond to the shelter/housing needs in the most comprehensive way.

The project envisages effective collaboration with mass media, research, and educational institutions and private sector. The project will cooperate with the local CSOs for efficient engagement of the refugees and host populations in all stages of project implementation. Partnership with the CSOs will allow the project team to obtain more granular information about the needs of the vulnerable groups, respectively tailor project activities, build awareness, and initiate dialogue between groups.

*Risks and Assumptions*

The project results are linked to the following assumptions:

- Building mutual trust forms the cornerstone of bringing people together and building connections, which can help overcome the trauma of displacement and offer both host and refugee populations a foothold for rebuilding their lives and jointly addressing problems.
- Access to safe, secure, and affordable housing leads to overall health, well-being, basic security, and provides a base from which refugees can seek employment, re-establish family relationships and make connections with the wider community.
- Availability of water and sanitation increases protection levels of the refugees, particularly women and girls, as well as leads to increased development outcomes bringing down the levels of multidimensional poverty.
- Improving equitable access to energy leads to additional opportunities, including livelihoods, education, and health, for all, especially for women and girls.
- Sustainable management of natural resources, such as water and land, relieves the pressure on ecosystem, and prevents tensions between host and refugee populations for the access to scarce resources.
- Recovered access to improved basic services strengthens the social fabric in the host communities, brings down the risks of segregation and facilitates recovery and integration of the refugees.

Throughout the risk analyses the project has identified the following risks:

Risk 1- Deterioration of the security situation along the border and escalation.
Risk 2- Floating exchange rate of the Armenian Dram and the high frequency of rate fluctuations.
Risk 3- The internal political situation changes in the country, including Government priorities.
Risk 4- Natural hazards (including pandemics, earthquake, etc.)
Risk 5- High expectations of the beneficiaries, which cannot be met within the scope of the project, its budget and strategy
Risk 6- Issues with data quantity and quality, which can lead to exclusion of any potentially affected stakeholders, in particular marginalized groups and excluded individuals (including persons with disabilities), from fully participating in decisions that may affect them

Mitigation approach to the identified risks are as follows:

Risk 1- The planned interventions will be adjusted to the security situation on the ground through vigilant monitoring and regular verification of the needs of target groups and communities. The project will follow instructions from UN Department for Safety and Security, UNDP Security Advisor and of local law enforcement for the trips to affected communities and, if required, additional security measures may be considered.

Risk 2- UNDP has efficient cash/currency management arrangements, and to the extent possible adaptive financial planning will be used. The Country Office is adequately equipped with seasoned Finance professionals for managing currency risks.

Risk 3- The project will adjust its implementation strategy in consultation with the donor, stakeholders, and the board, and while the principles will remain intact, the intervention mechanisms may be course-corrected. UNDP CO maintains good cooperation with all the line Ministries and will manage to adapt the project implementation without compromising the achievement of project results through flexible approach and constructive dialogue.

Risk 4- To mitigate the risk the project may switch to a remote management modality, making sure that the key stakeholders and beneficiaries have access to the support and assistance most needed in the emergency situation. The possible changes to the project intervention strategy will be presented to and agreed with the donor. The project will make sure that all the construction implemented by the project is done in accord with the mandatory security norms, including seismic assessments, whenever applicable.

Risk 5- The regular and open communication with the beneficiaries through different channels, including the local administrations and CSOs, as well as through their direct engagement, will set it clear what should be expected from the project and what are the limitations of the project scope. An accountability mechanism will be in place to anonymously collect feedback and provide timely response to grievances.

Risk 6- The project will follow evidence-based approach building on verified data from different sources for mapping needs of target groups and dynamic monitoring of the situation on the ground. To this end, the official available data, the sectoral assessments, the local monitoring/ needs mapping exercise, stakeholder consultations and direct communication with the affected populations will inform the project implementation and fill in the information gaps throughout the course of project implementation.

The project takes a precautionary approach to significant social and environmental challenges and is designed to avoid potential adverse impacts to people and the environment.

### *Stakeholder Engagement*

The project's direct target group are the vulnerable refugee and host populations in areas where they face difficulties with integration in the host communities, navigating and interacting in the new environment, restoring the sense of normalcy in their daily lives and, accessing housing facilities/shelter, sanitation, adequate healthcare services, clean energy, and water. The project is inclusive of all the age groups, with a specific focus on refugee and local women in vulnerable situations, including pregnant women, women-headed multi-child households, women in households with disabled or missing members, women and men with disabilities, refugee households residing in substandard conditions and fully dependent on humanitarian assistance. The vulnerability criteria will be further elaborated, and beneficiary engagement will be coordinated with line ministries, regional and local administrations, and local CSOs. The project will directly engage with the primary beneficiary groups through Women and Youth Advisory Councils (WYAC), local component-specific needs mapping exercise, direct consultations, and feedback mechanism, as part of the project's accountability to its beneficiaries and stakeholders, as well as will encourage the construction companies to engage the refugee populations in renovation works as a way of learning, emergency employment and integration mechanism.

On national level the project stakeholders are the Ministry of Territorial Administration and Infrastructure, Ministry of Labor and Social Affairs, Ministry of Environment, Ministry of Health. Their engagement and coordination will be conducted through project-specific coordination mechanism including regular meetings and updates. Meanwhile, Resilience and Shelter/NFI (Non-Food Items) Working Groups will serve as an added engagement and coordination mechanism with the national stakeholders on broader range.

On regional and local levels, the project stakeholders include the regional and local administrations and local CSOs. UNDP has presence in all the regions across the country and a track record of cooperation with the local actors, which will help to quickly set up communication and working arrangements with the local administrations and CSOs.

UNDP will review and categorize degree of potential social and environmental risks and impacts through UNDP's Social and Environmental Compliance Review, and will ensure that stakeholders and targeted groups who may possibly be adversely affected by UNDP activities can communicate confidentially and safely their concerns through various entry points of Stakeholder Response Mechanism properly communicated to the stakeholders and scaled appropriately to the nature of the activity and its potential risks and impacts.

### Digital Solutions[2]

The project implementation envisages introduction of several digital solutions for efficiency and sustainability of provided support. For instance, the model hybrid mobile solar facility will have a digital control system. It will allow remote switching to and off the grid, as necessary. It will also be possible to control the system operation online, which is vital especially in emergency situations.

For the newly introduced water infrastructure the project will prioritize automated control system with potential funding from the State Subvention Program and other donors. UNDP has successfully piloted a similar system in Lernavan, Lori Marz. The system controls the water inflow, and may estimate real-time water storage capacity providing data on water management, energy consumption, etc.

### Knowledge and Communication

The project will develop a visibility plan in line with the requirements of the Government of Japan. The project will make sure that the project related information is always available to the target groups and stakeholders in the most accessible, affordable, timely and comprehensible way. The official communication channels of UNDP and partners, including social media, and official website will serve this purpose.

Depending on the target groups' needs, print media, local entry points, meetings, information sessions, TV and radio, and communication channels of regional, local administrations and line ministries will be used. The project will make sure that the project uses the right messages for each target group, thoroughly considering the social and cultural context and related sensitivities, as well as ensuring donor's visibility.

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[2] *Please see the Guideline "Embedding Digital in Project Design".*

UNDP will regularly capture knowledge, good practices and lessons learned. Relevant lessons learnt will inform the implementation by course correcting and aligning to the changing situation on the ground.

### Sustainability and Scaling Up

The project will contribute to the wider national emergency response, which builds on the multistakeholder efforts with the national coordination. The project applies the models, which have already been piloted in cooperation with the Government and local partners and have demonstrated efficiency and sustainability in the crisis context. Based on the evidence of successful pilots, UNDP is scaling them up within the scope of its response to the refugee crisis. The proposed interventions are activated following the GoA request, thus ensuring national buy-in.

For the sustainability of results, UNDP will hand over project outputs to the GoA and the local communities. Their further maintenance will be funded from the community budgets. In the case of social integration component, the ownership of the joint initiatives and dialogue will be with the local and refugee populations facilitated by the institutionalized, capacitated and sustainable network of WYACs. The management of provided or renovated assets will be aligned to the terms and conditions agreed with the national and local partners. The project will build the local capacities as necessary for the maintenance and sustainable management of the assets, goods and services provided or recovered by the project.

### Project Management (1/2 pages - 2 pages recommended)

### Cost Efficiency and Effectiveness

The project will conduct the procurement of goods and services in compliance with UNDP Regulations and Rules, which envisages acquisition of proper quality goods and services prioritising also value for money.

The project will optimise the costs and increase the impact mobilising expertise and funds through synergised efforts with the projects and agencies working in the same direction in the target area. Cross portfolio cooperation between UNDP Socioeconomic Development (SED), Climate, Environment and Resilience (CER), Gender Equality portfolios will allow to coordinate efforts between the implementing teams of this project through sharing information, expertise, data, and lessons learnt of their respective activities. Thanks to well-coordinated approach no duplication of activities or investments on the same beneficiaries will occur.

### Project Management

The project will be implemented through a direct implementation modality (DIM), fully managed by UNDP Armenia. The Resident Representative Natia Natsvlishvili will exercise overall supervision of implementation, lead coordination, and consultations with key national partners, UNCT and other stakeholders. In accordance with corporate regulations UNDP will be responsible for: (i) identification and/or recruitment of project personnel; (ii) procurement of goods and services; and (iii) financial services, for which the project will incur Direct Project Costs as per UNDP 2023 Universal Price List (UPL). UNDP will ensure that the approved

resources are used in line with the agreement with the donor, as well as in accordance with UNDP financial rules and regulations.

Financial oversight, including approval of expenditures and independent audits, monitoring and mid-term and final evaluation of progress and results will be also ensured by the Country Office. The costs directly attributable to activities that support programme quality, coherence and relate to development results as well as the policy advisory services provided by the UNDP staff related to activities of technical and implementation nature that are essential to deliver development results will be directly charged to the project budget.

The project will be implemented under the overall management of SED Portfolio in cooperation with the Gender Equality Portfolio on Output 1.1, CER Portfolio on Outputs 1.4 and 1.5. UNDP SED Portfolio Manager will provide general project implementation and quality assurance, including other programme support as necessary.

UNDP will establish a project team, which will ensure that the envisaged activities are carried out and the outputs are reached. The project team will be managed by the Project Coordinator (PC), who will coordinate project activities and serve as the financial authorizing officer. The PC will report to the SED Portfolio Manager and will be responsible for all project operations.  The incumbent will ensure the proper use of funds and that project activities are implemented in accordance with the agreed project document and project work plans. Management of project funds including budget revisions, disbursements, record keeping, accounting, reporting, and auditing will follow UNDP rules and procedures. The PC will be responsible for the project daily planning, implementation quality, reporting, timeliness, and effectiveness of the activities carried out. The PC will be supported by Task Leads, support staff and experts.

## IV. RESULTS FRAMEWORK[3]

| Intended Outcome as stated in the UNSDCF/Country [or Regional] Programme Results and Resource Framework: UNSDCF Outcome 4/ CPD 2021-2025 Outcome 1: People, communities and regions benefit from equitable economic opportunities, decent work, and sustainable livelihoods, enabled through competitiveness and inclusive green growth |
| --- |
| Outcome indicators as stated in the Country Programme [or Regional] Results and Resources Framework, including baseline and targets: Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets: Indicator: Indicator 1.1: Poverty rate decreased, Baseline (2018): 23.5%, Target (2025): 20%, |
| Applicable Output(s) from the UNDP Strategic Plan: Output 1.1.2: Marginalized groups, particularly the poor, women, and people with disabilities and displaced are empowered to gain universal access to basic services and financial and non-financial assets to build productive capacities and benefit from sustainable livelihoods and jobs |
| Project title and Quantum Project Number: The Project for Supporting Basic Infrastructure and Social Integration for Displaced Persons from Nagorno-Karabakh and Host Communities. |

| EXPECTED OUTPUTS | OUTPUT INDICATORS[4] | DATA SOURCE | BASELINE | | TARGETS (by frequency of data collection) | | | DATA COLLECTION METHODS & RISKS |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| | | | Value | Year | Year 1 | Year 2 | FINAL | |
| Output 1.1: Social cohesion and trust-building among host communities and refugees is strengthened | *1.1.1 a) Number of WYACs with strengthened capacity for improving social cohesion* | *WYAC meeting minutes, Local Council meeting records, Project* | 0 | 2023 | 10 | 0 | 10 | *Project's own monitoring mechanisms* |

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[3] UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that 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.

[4] 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.

| EXPECTED OUTPUTS | OUTPUT INDICATORS[4] | DATA SOURCE | BASELINE | | TARGETS (by frequency of data collection) | | | DATA COLLECTION METHODS & RISKS |
|---|---|---|---|---|---|---|---|---|
| | | | Value | Year | Year 1 | Year 2 | FINAL | |
| | b) Number of circle talks conducted | WYAC meeting minutes, Local Council meeting records, Project | 0 | 2023 | 50 | 70 | 120 | Project's own monitoring mechanisms |
| | 1.1.2 a) Number of solutions, co-designed, validated by the experts' groups and piloted | Co-design reports. Validation workshop report. | 0 | 2023 | 0 | 5 | 5 | Project's own monitoring mechanisms |
| | b) % of local self-government contribution to the piloted solutions | Community Council decisions | 0 | 2023 | 0 | At least 20% | At least 20% | Project's own monitoring mechanisms Commitment Letter |

| EXPECTED OUTPUTS | OUTPUT INDICATORS[4] | DATA SOURCE | BASELINE | | TARGETS (by frequency of data collection) | | | DATA COLLECTION METHODS & RISKS |
|---|---|---|---|---|---|---|---|---|
| | | | Value | Year | Year 1 | Year 2 | FINAL | |
| **Output 1.2: Safe and dignified shelter/housing is accessible for the displaced populations** | ***1.2.1 Number of shelters/housing facilities renovated and refurbished*** | *Project Annual reports. Transfer Acts, Visibility materials* | 5 | 2023 | 4 | 4 | *8* [5] | *Project's own monitoring mechanisms* |
| | ***1.2.2 Number of refugees benefiting from access to improved and decent shelters/housing facilities*** | *Project Annual reports. Visibility materials* | *400* | 2023 | *240 (w-125, m-115, including people with disabilities (pwd)-5, youth-30, children-60)* | *240 (w-125, m-115, including pwd-5, youth-30, children-60)* | *480 (w-250, m-230, pwd- 10, youth-60, children-120)* | *Project's own monitoring mechanisms* |
| | ***1.2.3 % of refugee populations supported confirming that they have access to dignified and safe living conditions in renovated shelters/housing facilities*** | *Final Beneficiary survey* | *0* | 2023 | *N/A* | *90% (out of whom, w-52%, m- 48%, pwd-2%, youth-30%)* | *90% (out of whom, w-52%, m- 48%, pwd-2%, youth-30%)* | *Project's own monitoring mechanisms* |

[5]  All the annual and final targets do not include the baseline, which means that the targets indicated in the Results Framework reflect solely the results to be achieved by UNDP within the scope of the project with the funding of the Government of Japan.

| EXPECTED OUTPUTS | OUTPUT INDICATORS[4] | DATA SOURCE | BASELINE | | TARGETS (by frequency of data collection) | | | DATA COLLECTION METHODS & RISKS |
|---|---|---|---|---|---|---|---|---|
| | | | Value | Year | Year 1 | Year 2 | FINAL | |
| Output 1.3: Local capacities are fostered to address the increased needs for health services | **1.3.1 Number of medical facilities supported with renovation, furnishing, medical equipment** | *Project Annual reports. Transfer Acts, Visibility materials* | *10* | *2023* | *Up to 5* | *Up to 5* | *10* | *Project's own monitoring mechanisms* |
| | **1.3.2 Number of refugees and host populations benefiting from access to upgraded medical facilities** | *Project Annual reports Visibility materials* | *10,000* | *2023* | *12,500 (w-6,500, m-6000, pwd-75, youth-2,000, children-2,500)* | *12,500 (w-6,500, m-6000, pwd-75, youth-2,000, children-2,500)* | *25,000 (w-13,000, m-12,000, pwd-150, youth-4,000, children-5,000)* | *Project's own monitoring mechanisms* |
| | **1.3.3 % of refugees and host populations in beneficiary settlements with renovated and refurbished ambulatories confirm that they can access local primary healthcare services in improved conditions** | *Final Beneficiary survey* | *0* | *2023* | *N/A* | *95% (out of whom, w-52%, m- 48%, pwd-2%, youth-30%)* | *95% (out of whom, w-52%, m- 48%, pwd-2%, youth-30%)* | *Project's own monitoring mechanisms* |
| **Output 1.4 Energy resilience of host communities is** | **1.4.1 Number of refugees and host populations benefiting through access to mobile hybrid solar systems** | *Assessment Report and* | *0* | *2023* | *20,000 (w-10,400, m-9,600, including pwd-* | *5,000 (w-2,600, m-2400,* | *25,000 (w-13,000, m-12,000,* | *Project's own monitoring mechanisms* |

| EXPECTED OUTPUTS | OUTPUT INDICATORS[4] | DATA SOURCE | BASELINE | | TARGETS (by frequency of data collection) | | | DATA COLLECTION METHODS & RISKS |
|---|---|---|---|---|---|---|---|---|
| | | | Value | Year | Year 1 | Year 2 | FINAL | |
| enhanced with long-lasting green energy solutions | | *Transfer Act* | | | *100, children-4,000, youth-3,000)* | *including pwd-50, children 1,500, youth-1,000)* | *including, pwd-150, children-5,500, youth-4,000)* | |
| | *1.4.2 Number of critical infrastructure units (medical facilities, rapid response, emergency, etc.) with access to mobile solar systems* | *Assessment Report and Transfer Act* | *0* | *2023* | *112* | *28* | *140* | *Project's own monitoring mechanisms* |
| | *1.4.3 % of refugees and host population as well as critical infrastructure units confirming that they have access to mobile hybrid solar systems* | | *0* | *2023* | *0* | *95% (out of whom, w-52%, m- 48%, pwd-2%, youth-30%)* | *95% (out of whom, w-52%, m- 48%, pwd-2%, youth-30%)* | *Project's own monitoring mechanisms* |
| **Output 1.5 Sustainable land and water management practices are introduced in host communities through establishment of water storage and** | *1.5.1 Number of refugees and host population in 2 select host communities benefiting through availability of irrigation water* | *Assessment Report and Transfer Act* | *0* | *2023* | *0* | *2,500 (w-1,300, m-1,200, including pwd-50, children-750, youth-500)* | *2,500 (w-1,300, m-1,200, including pwd-50, children-750, youth-500)* | *Project's own monitoring mechanisms* |
| | *1.5.2 Hectares of irrigated land in 2 select host communities* | *Assessment Report* | *0* | *2023* | *0* | *400* | *400* | *Project's own monitoring mechanisms* |

| EXPECTED OUTPUTS | OUTPUT INDICATORS[4] | DATA SOURCE | BASELINE | | TARGETS (by frequency of data collection) | | | DATA COLLECTION METHODS & RISKS |
|---|---|---|---|---|---|---|---|---|
| | | | Value | Year | Year 1 | Year 2 | FINAL | |
| distribution infrastructure | *1.5.3 % of refugees and host population confirming that they benefit from availability of irrigation water in 2 select communities* | | *0* | *2023* | *0* | *95% (out of whom, w-52%, m- 48%, pwd-2%, youth-30%)* | *95% (out of whom, w-52%, m- 48%, pwd-2%, youth-30%)* | *Project's own monitoring mechanisms* |

## V. MONITORING AND EVALUATION

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans: *[Note: monitoring and evaluation plans should be adapted to project context, as needed]*

**Monitoring Plan**

| 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 analyzed to assess the progress of the project in achieving the agreed outputs. | Annually | Slower than expected progress will be addressed by project management. | N/A | N/A |
| **Monitor and Manage Risk** | Identify specific risks that may threaten 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. | 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. | N/A | N/A |
| **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. | | 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. | N/A | N/A |
| **Project Report** | A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating | Annually, and at the end of the project (final report) | | N/A | N/A |

| Monitoring Activity | Purpose | Frequency | Expected Action | Partners (if joint) | Cost (if any) |
|---|---|---|---|---|---|
| | summary, an updated risk long with mitigation measures, and any evaluation or review reports prepared over the period. | | | | |
| **Project Review (Project Board)** | The project's governance mechanism (i.e., project board) 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 project's final year, the Project Board 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. | Annually | Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified. | N/A | N/A |

## VI.  MULTI-YEAR WORK PLAN [67]

*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 | Y2 | | Funding Source | Budget Description | Amount |
| **Output 1.1 Social cohesion and trust-building among host communities and refugees is strengthened**<br><br>*Gender marker: GEN 3* | **Activity 1.1.1 Strengthen the capacity of Women and Youth Advisory Councils to facilitate restorative circle talks and conduct service co-design exercise** | 60,000 | 40,000 | UNDP | Government of Japan | Local Consultants | 20,000 |
| | | | | | | Contractual Services Companies | 32,000 |
| | | | | | | Travel | 12,000 |
| | | | | | | Contractual Services-Companies | 16,000 |
| | | | | | | Learning Costs | 20,000 |

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[6] 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.

[7] Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

| EXPECTED OUTPUTS | PLANNED ACTIVITIES | Planned Budget by Year | | RESPONSIBLE PARTY | PLANNED BUDGET | | |
|---|---|---|---|---|---|---|---|
| | | Y1 | Y2 | | Funding Source | Budget Description | Amount |
| | **Activity 1.1.2. Co-design and pilot five solutions that will strengthen the cohesion between refugees and host communities** | 0 | 50,000 | UNDP | Government of Japan | Contractual Services Innovation Challenge | 50,000 |
| | **Sub-Total for Output 1.1** | | | | | | **150,000** |
| **Output 1.2 Safe and dignified shelter is accessible for the displaced populations**<br><br>*Gender marker: GEN 2* | **Activity 1.2.1 Rehabilitate and refurbish shelters and housing for refugees, including access to water, sanitation, and hygiene** | 299,160, | 299,000 | UNDP | Government of Japan | Local Consultants | 5,000 |
| | | | | | | Contractual Services Companies | 493,160 |
| | | | | | | Equipment and Furniture | 100,000 |
| | **Sub-total for Output 1.2** | | | | | | 598,160 |
| **Output 1.3 Local capacities are fostered to address the increased needs for health services** | **Activity 1.3.1 Modernize rural ambulatories in host communities towards** | 400,000 | 419,800 | UNDP | Government of Japan | Local Consultant | 35,000 |

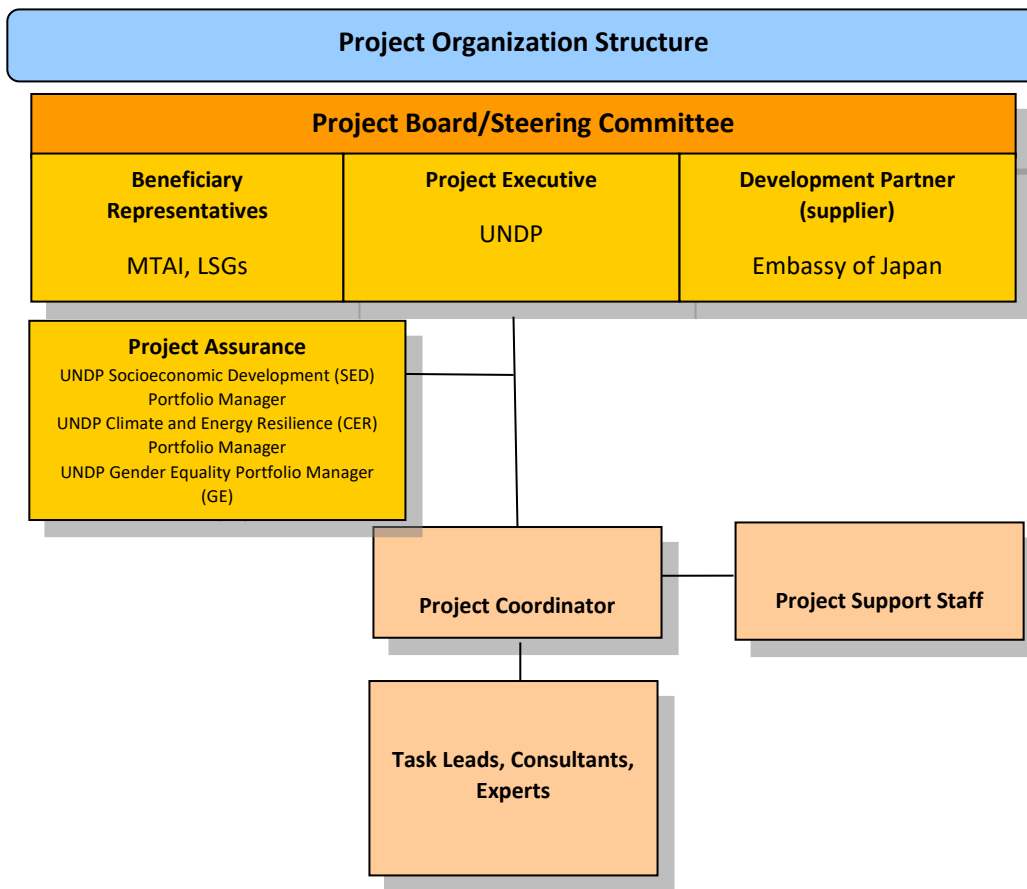| EXPECTED OUTPUTS | PLANNED ACTIVITIES | Planned Budget by Year | | RESPONSIBLE PARTY | PLANNED BUDGET | | |
| --- | --- | --- | --- | --- | --- | --- | --- |
| | | Y1 | Y2 | | Funding Source | Budget Description | Amount |
| *Gender marker: GEN2* | **increasing local capacities to address the increased needs for health services** | | | | | Contractual Services Companies | 400,000 |
| | | | | | | Equipment and Furniture | 384,800 |
| | Sub-total for Output 1.3 | | | | | | 819,800 |
| **Output 1.4 Energy resilience of host communities is enhanced with long-lasting green energy solutions**<br><br>*Gender marker: GEN2* | **Activity 1.4.1 Provide critical infrastructure support through hybrid energy solutions for refugees and host communities** | 406,000 | 94,000 | UNDP | Government of Japan | Local consultant | 10,000 |
| | | | | | | Contractual services-company | 470,000 |
| | | | | | | Travel | 10,000 |
| | | | | | | Audio visual& print product | 6,000 |
| | | | | | | Learning cost | 4,000 |
| | Sub-total for Output 1.4 | | | | | | 500,000 |
| **Output 1.5 Sustainable land and water management practices are introduced in host communities through** | **Activity 1.5.1 Introduce climate-smart water management practices through construction of alternative** | 134,000 | 256,000 | UNDP | Government of Japan | Contractual services-company | 20,000 |
| | | | | | | Local consultant | 8,000 |

| EXPECTED OUTPUTS | PLANNED ACTIVITIES | Planned Budget by Year | | RESPONSIBLE PARTY | PLANNED BUDGET | | |
|---|---|---|---|---|---|---|---|
| | | Y1 | Y2 | | Funding Source | Budget Description | Amount |
| **establishment of water storage and distribution infrastructure** *Gender marker: GEN2* | **small-scale water storage facilities** | | | | | Contractual services-company | 145,000 |
| | | | | | | Materials and Goods | 217,000 |
| | **Sub-total for Output 1.5** | | | | | | 390,000 |
| **Management** | | 123,477 | 123,000 | UNDP | Government of Japan | Delivery Enabling Services (Monitoring, Quality Assurance, Financial Oversight, Recruitment, Evaluation etc.) | 30,000 |
| | | | | | | Contractual Services Individuals | 176,477 |
| | | | | | | Travel | 10,000 |
| | | | | | | Communication and Audio Visual | 20,000 |

| EXPECTED OUTPUTS | PLANNED ACTIVITIES | Planned Budget by Year | | RESPONSIBLE PARTY | PLANNED BUDGET | | |
|---|---|---|---|---|---|---|---|
| | | Y1 | Y2 | | Funding Source | Budget Description | Amount |
| | | | | | | Supplies | 10,000 |
| | Sub-Total | | | | | | 246,477 |
| **General Management Support** | | | | | | | **216,355** |
| **TOTAL \*** | | | | | | | **2,920,792\*** |

\* UNDP will request exemption of 1% RCO Levy based on a humanitarian purpose of the project.

## VII.   GOVERNANCE AND MANAGEMENT ARRANGEMENTS

A Project Steering Committee (PSC) will be established to oversee the management of the project. The PSC will be represented by the implementing agency-UNDP, the key partners, including project beneficiaries, and the Embassy of Japan in Armenia. PSC meetings will be held at least once a year to monitor the execution of the project activities. If required, the PSC meetings can be arranged more frequently. PSC will monitor project progress, provide oversight, and offer general advice for project implementation to make certain the project is consistent with national and international development priorities.

**Project Organization Structure**

**Project Board/Steering Committee**

| Beneficiary Representatives<br><br>MTAI, LSGs | Project Executive<br><br>UNDP | Development Partner (supplier)<br><br>Embassy of Japan |
|---|---|---|

**Project Assurance**
UNDP Socioeconomic Development (SED) Portfolio Manager
UNDP Climate and Energy Resilience (CER) Portfolio Manager
UNDP Gender Equality Portfolio Manager (GE)

**Project Coordinator**

**Project Support Staff**

**Task Leads, Consultants, Experts**

**VIII.    LEGAL CONTEXT**

**Option a. Where the country has signed the <u>Standard Basic Assistance Agreement (SBAA)</u>**

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of (country) and UNDP, signed on (date).   All references in the SBAA to "Executing Agency" shall be deemed to refer to "Implementing Partner."

This project will be implemented by UNDP in accordance with its financial regulations, rules, practices and procedures.

**IX.    RISK MANAGEMENT**

**UNDP (DIM)**

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

2.    UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the [project funds][8] [UNDP funds received pursuant to the Project Document][9] are used to provide support to individuals or entities associated with terrorism , that the recipients of any amounts provided by UNDP hereunder do not appear on the United Nations Security Council Consolidated Sanctions List, and that no UNDP funds received pursuant to the Project Document are used for money laundering activities. The United Nations Security Council Consolidated Sanctions List can be accessed via https://www.un.org/securitycouncil/content/un-sc-consolidated-list. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.

3.    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).

4.    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.

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[8] To be used where UNDP is the Implementing Partner

[9] To be used where the UN, a UN fund/programme or a specialized agency is the Implementing Partner

5.　　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.

6.　　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.

7.　　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 party's, 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 party's, 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 party's, subcontractor's and sub-recipient's obligations under this Project Document.

　　c.　Each responsible party, subcontractor and sub-recipient (each a "sub-party" and together "sub-parties") acknowledges and agrees that UNDP will not tolerate sexual harassment and sexual exploitation and abuse of anyone by the sub-parties, and other entities involved in Project implementation, either as contractors or subcontractors and their personnel, and any individuals performing services for them under the Project Document.

　　　(a) In the implementation of the activities under this Project Document, each sub-party shall comply with the standards of conduct set forth in the Secretary General's Bulletin ST/SGB/2003/13 of 9 October 2003, concerning "Special measures for protection from sexual exploitation and sexual abuse" ("SEA").

　　　(b) Moreover, and without limitation to the application of other regulations, rules, policies and procedures bearing upon the performance of the activities under this Project Document, in the implementation of activities, each sub-party, shall not engage in any form of sexual harassment ("SH"). SH is defined as any unwelcome conduct of a sexual nature that might reasonably be expected or be perceived to cause offense or humiliation, when such conduct interferes with work, is made a condition of employment or creates an

intimidating, hostile or offensive work environment. SH may occur in the workplace or in connection with work. While typically involving a pattern of conduct, SH may take the form of a single incident. In assessing the reasonableness of expectations or perceptions, the perspective of the person who is the target of the conduct shall be considered.

d.  In the performance of the activities under this Project Document, each sub-party shall (with respect to its own activities), and shall require from its sub-parties (with respect to their activities) that they, have minimum standards and procedures in place, or a plan to develop and/or improve such standards and procedures in order to be able to take effective preventive and investigative action. These should include: policies on sexual harassment and sexual exploitation and abuse; policies on whistleblowing/protection against retaliation; and complaints, disciplinary and investigative mechanisms. In line with this, sub-parties will and will require that their respective sub-parties will take all appropriate measures to:

(i) Prevent its employees, agents or any other persons engaged to perform any services under this Project Document, from engaging in SH or SEA;

(ii) Offer employees and associated personnel training on prevention and response to SH and SEA, where sub-parties have not put in place its own training regarding the prevention of SH and SEA, sub-parties may use the training material available at UNDP;

(iii) Report and monitor allegations of SH and SEA of which any of the sub-parties have been informed or have otherwise become aware, and status there of;

(iv) Refer victims/survivors of SH and SEA to safe and confidential victim assistance; and

(v) Promptly and confidentially record and investigate any allegations credible enough to warrant an investigation of SH or SEA. Each sub-party shall advise UNDP of any such allegations received and investigations being conducted by itself or any of its sub-parties with respect to their activities under the Project Document, and shall keep UNDP informed during the investigation by it or any of such sub-parties, to the extent that such notification (i) does not jeopardize the conduct of the investigation, including but not limited to the safety or security of persons, and/or (ii) is not in contravention of any laws applicable to it. Following the investigation, the relevant sub-party shall advise UNDP of any actions taken by it or any of the other entities further to the investigation.

e.  Each sub-party shall establish that it has complied with the foregoing, to the satisfaction of UNDP, when requested by UNDP or any party acting on its behalf to provide such confirmation. Failure of the relevant sub-party to comply of the foregoing, as determined by UNDP, shall be considered grounds for suspension or termination of the Project.

f.  Each responsible party, subcontractor and sub-recipient will ensure that any project activities undertaken by them will be implemented in a manner consistent with the UNDP Social and Environmental Standards and shall ensure that any incidents or issues of non-compliance shall be reported to UNDP in accordance with UNDP Social and Environmental Standards.

g.  Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud, corruption or other financial irregularities, 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, anti-fraud and anti-money laundering and countering the financing of terrorism policies are in place and enforced for all funding received from or through UNDP.

h.  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 (b) UNDP Anti-Money Laundering and Countering the Financing of Terrorism Policy; and (c) 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.

i.  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.

j.  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, corruption other financial irregularities with due confidentiality.

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.

k.   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 corruption, other financial irregularities 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 party's, subcontractor's or sub-recipient's obligations under this Project Document.

l.  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.

m.  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.

n. 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.