PROJECT DOCUMENT(Armenia)

Project Title: EU4BiodiversityinSevan: Enhancing Lake Sevan Ecosystem Restoration

Project Number: 01006030

Implementing Partner: UNDP

Start Date: 01/06 /2026 **End Date:** 15/05/2029 **PAC Meeting date:** 28/05/2026

Brief Description

Lake Sevan, the largest freshwater body in Armenia and the Caucasus region, is a vital natural resource, providing freshwater, irrigation water, and aquaculture benefits. As one of the largest high-altitude alpine lakes in Eurasia, its conservation is critical for the regional ecological stability, biodiversity, and the well-being of adjacent communities. However, decades of unsustainable use have led to significant deterioration in both water quality and quantity. Numerous environmental challenges, including over-extraction, pollution, and rising temperatures, have resulted in eutrophication and biodiversity loss - issues of local and international concern.

To address current challenges, the EU4BiodiversityinSevan project aims at building on existing achievements and enhancing the restoration and sustainable management of the Lake Sevan ecosystem. The initiative will focus on three key outputs: (1) Strengthened institutional, technical and human capacities; (2) Improved effectiveness of ecosystem restoration measures for biodiversity conservation; and (3) Enhanced financial sustainability for the Lake Sevan ecosystem restoration.

The Project aligns with Priority Area 3: Environmental and Climate Resilience of the EU Multiannual Indicative Programme 2021-2027 for Armenia and directly contributes to the sustainable use of natural resources, biodiversity protection, and improved environmental quality of life.

Through its targeted interventions, the Project will support Armenia in meeting its international commitments, including the Comprehensive and Enhanced Partnership Agreement, Sustainable Development Goals and global biodiversity objectives. By supporting Armenia's implementation of the CEPA, government reforms, and socio-economic development, this initiative will advance EU-Armenia relations. It will focus on enhancing governmental capacity, improving the business environment, and promoting environmental sustainability through targeted support and technical assistance. Specifically, efforts to build resilience to climate change and preserve freshwater resources will not only safeguard Lake Sevan's ecological integrity but also improve livelihoods and economic opportunities for local communities.

The Project will contribute to the agenda of the 17th Conference of the Parties (COP17) to the Convention on Biological Diversity to be held in Yerevan in 2026, as it aims to improve effectiveness of ecosystem restoration which incorporates biodiversity conservation to enhance ecological integrity and resilience of the Lake Sevan ecosystem

Project Document is realigned with the new UNDAF/CPD Outcomes and the new Strategic Plan Outputs.

Contributing Outcome (UNDAF/CPD 2): By 2030, climate change adaptation and mitigation, biodiversity protection, and sustainable natural resources management is strengthened, through gender-responsive, inclusive and innovative approaches

Indicative Output /2.3: National and subnational authorities are empowered to sustainably manage water systems and infrastructure, land, biodiversity and reduce pollution through science-backed solutions, education, alliances, engagement of women and youth, and innovative financing.

Gender marker: GEN2

Total resources required:	USD 1,765,688	
Total resources allocated:	**UNDP TRAC:**	USD 34,562
	EU:	USD 1,731,126
	Government:	-
	In-Kind:	-
Unfunded:	-	

Implementing Partner

Print Name: Konstantin Sokulskiy

Date **28/05/2026**

I. DEVELOPMENT CHALLENGE

1. Armenia's transition to a competitive market economy is challenged by significant environmental issues, particularly concerning Lake Sevan, the largest freshwater body in the South Caucasus. Lake is a critical resource for Armenia's

economy and environment, supporting water supply, irrigation, aquaculture, and hydropower. Lake Sevan Basin is in the eastern region of Armenia and accounts for one-sixth of Armenia's total territory, covering an area of 4,721 km^2. Bounded by the Geghama Mountains to the West, Vardenis Mountains to the South, Areguni Mountains to the North-East, and Sevan and East Sevan Mountain ranges to the East, with elevations reaching up to 3,598 m, the Lake Sevan Basin is also an important agricultural region, with around 56% of its land (265,000 ha) dedicated to farming, mostly grasslands and pastures. The region is also a popular tourism destination, attracting about 1.5 million visitors annually, particularly from June to September. The local tourism sector, with about 60 accommodation facilities around the lake, plays a significant role in the economy

2. Historically, excessive use of Lake Sevan's water from the 1930s to the 1980s led to severe environmental and ecological consequences, including water quality deterioration, habitat destruction, and biodiversity loss. Since the 1980s, programs to stabilize and raise the water level have been initiated, including the construction of the Arpa-Sevan and Vorotan-Arpa tunnels and the implementation of discharge limits. These efforts have resulted in the gradual rise of the lake's water level since 2001. Since Armenia's independence in 1991, deteriorating water and sanitation infrastructure has worsened water quality, making it a critical issue for development. Approximately two-thirds of the population is connected to sewerage systems, with only 20% linked to outdated and dysfunctional wastewater treatment plants. Wastewater from surrounding urban and rural settlements is discharged into rivers flowing into Lake Sevan, further polluting the water.

3. Lake Sevan catchment basin, spanning approximately 17,000 hectares, includes artificial forest plantations of pine, poplar, acacia, and sea buckthorn. The recent rise in water levels has negatively affected around 5,000 hectares of these forested areas. The surrounding forests in the Sevan catchment basin have also been affected by the rising water level, with flooded forest plantations contributing to the lake's eutrophication. The decomposition of terrestrial vegetation in the flooded forests contributes to the eutrophication of the lake, further degrading water quality. In response, the government introduced provisions for coastal zone clean-up, aiming to clear 5,000 hectares of forest and establish new forest belts.

4. Four primary threats to biodiversity around Lake Sevan include: (1) habitat loss resulting from overfishing, unsustainable logging, pollution, and poorly planned infrastructure; (2) overexploitation of water resources; (3) unregulated tourism, which leads to growing pressure on fragile ecosystems; and (4) climate change, evidenced by shifts in vegetation zones.

5. For over 20 years, the Government of Armenia was investing in institutional and regulatory frameworks aimed at restoring the lake's ecosystem. Key initiatives include efforts to raise the lake's water level up to 1903.5 m, and relevant provisions of the law governing the restoration and protection of the lake's ecosystem. These efforts involved commissioning tunnels for water replenishment and setting discharge limits for hydropower and irrigation and have contributed to a steady rise in the lake's water level, which increased by over four meters in 10 years.

6. In the framework of EU4Sevan - Environmental Protection of Lake Sevan Project (2020-2025), a number of milestones were achieved to meet the strategic objective of enhancing environmental condition of Lake Sevan. The following achievements of the Project are worth highlighting: (1) A comprehensive monitoring concept for Lake Sevan basin was developed and state financing of operational costs of Lake Sevan monitoring was ensured; (2) Lake Sevan section of the Armenian EcoPortal was launched as a unified platform for data access and management; (3) ten measures from the Program of Measures of the Sevan River Basin Management Plan (RBMP) were implemented; (4) more than 152,475 hectares in Lake Sevan basin are effectively zoned and managed for multiple ecosystem benefits; and (5) eleven policy and regulatory documents and 4 comprehensive assessment documents for evidence-based decision-making in Lake Sevan basin were developed or updated.

7. However, gaps remain that could impede the effective implementation of the lake's restoration and protection policies and regulatory framework. These include weak capacities and a lack of practical tools among the governmental bodies responsible for the lake's ecosystem management, lack of sustainable financial and incentive mechanisms, as well as the need for enhanced inter-sectoral collaboration. The urgency of addressing these gaps has increased in light of recent legislative and institutional changes, such as the establishment of EcoPatrol service under Ministry of Environment (MEnv) and Water Patrol service under Ministry of Internal Affairs. These new entities have assumed

responsibilities previously managed by protected areas, including Sevan National Park, and need further strengthening and capacity enhancement.

8. To ensure the sustainability and effective implementation of the upgraded policy and regulatory framework, there is an urgent need to enhance the capacity of relevant state agencies at all levels - institutional, technical, and human. Innovative approaches and practical measures are crucial for the implementation of the effective policy strategies and further scaling up of ecosystem restoration efforts, which includes biodiversity conservation and sustainable use to ensure the effectiveness of the recent improvements. Introducing effective financial mechanisms and incentives is key to ensuring the long-term policy success, aligned with national and global environmental goals.

9. Local stakeholders lack practical, replicable solutions for restoring Lake Sevan ecosystem, including nature-based river restoration solutions and forest rehabilitation practices. There are limited incentives for promoting country-specific innovations and insufficient strategies for scaling up successful initiatives. Moreover, environmental awareness and know-how among resource users, such as households, farmers, and state agencies, are insufficient for protecting Lake Sevan ecosystem from further deterioration.

10. Restoring the ecosystem of Lake Sevan, along with implementation of restoration measures and introduction of sustainable financing mechanisms is a priority for the Government of Armenia. However, lack of effective and integrated planning, poor coordination between sectors and absence of innovative financing solutions hinder progress toward the sustainable management of the lake ecosystem and its surrounding basin.

Relevance of the action

11. The *Government Programme for 2021-2026* sets an ambitious agenda for environmental management, in particular, it outlines the conservation, restoration, reproduction, and reasonable use of the ecosystem and biodiversity of Lake Sevan as a priority area. This should be achieved through activities aimed at increasing the effectiveness of the management regimes and control mechanisms in specially protected nature areas (including Sevan National Park) and conserving biodiversity, through strengthening the inventory and registry of objects of fauna and flora.

12. The Project is fully in line with *Armenia Development Strategy* (ADS) for 2014-2025 adopted in 2014. Among other measures the ADS calls for continuous improvements of the management system of specially protected natural areas (SPNA), development of bioresources monitoring and registration system, and development of community participation mechanisms in management of SPNAs.

13. In 2015, the GoA signed on to *Agenda 2030* and its 17 Sustainable Development Goals (SDGs). In order to achieve the SDGs and ensure sustainable environment, the Government of Armenia initiated the development of over 30 sectoral strategies, as well as the comprehensive Armenia Transformation Strategy by 2050. The Transformation Strategy considers the approaches and actions of the Government and involves all stakeholders including the private sector and civil society.

14. The Project will be a driver of both direct and indirect support for Armenia in meeting its commitments under EU-Armenia *Comprehensive and Enhanced Partnership Agreement* (CEPA) that has been signed in 2017 and fully entered into force on 1 March 2021. The GoA is committed to CEPA implementation as a blueprint for strategic reforms. It confirms the relevance and validity of the existing Partnership Priorities as being directly aligned with Government policy objectives and with the five policy objectives of the Eastern Partnership. CEPA aims at gradual alignment of the Armenian legal framework in the water sector with the EU acquis.

15. The Project is aligned with the provisions of the Action Document for Reform and CEPA implementation Facility: Annual action plan in favour of Republic of Armenia for 2023 (NDICI-GEONEAR/2023/ACT-62369), adopted in 2023. The Action Document's Priority Area 3: Environmental and climate resilience calls for the GoA and regional administrations continue being committed to improving environmental standards, including those in Lake Sevan basin

16. In the context of policy implementation, Armenia has received EU support through several EU-funded projects. In the frame of the EU Water Initiative Plus (EUWI+) programme, technical assistance was provided to develop a roadmap for alignment with the five EU water-related directives identified in the CEPA. Assistance was provided for renovating its water monitoring network and laboratory facilities. In particular, the Hydrometeorology and Monitoring Center

(Armhydromet) of the MEnv received new equipment and conducts state-of-the-art water analysis. A comprehensive set of amendments to the Water Code were adopted by the Government. In addition, process of National Policy Dialogues on water in Armenia is currently underway.

17. In order to make water information available, in 2020 an EcoPortal was developed containing data on water quality, water quantity and water use (www.ecoportal.am). This was done in conjunction with building a Shared Environmental Information System (SEIS) at the pan-European level.

18. With support from the EUWI+ Programme, the first River Basin Management Plan for Sevan has developed, which has been approved by the Armenian government in 2022. The document aims at structuring and improving the management of water resources at basin level in the long term. As a result, Armenia will be able to implement concrete measures at local level for more efficient water resources management in order to reach good water status. A series of water quality surveys was conducted. In 2018 sampling was done in 15 sampling sites of the Sevan and Hrazdan river basins. Awareness and educational activities have been implemented in conjunction with the work on the Sevan RBMP.

19. Within the support of EU4Environment Water and Data programme in Eastern Partnership countries have completed the following activities were completed to help the Government of Armenia to meet the obligations undertaken by the CEPA: (1) Development of WFD compliant River Basin Management Plan for the Northern River Basin District; (2) Amendment of Water Code in line with CEPA implementation road map; (3) Development of Government Resolution on chemical and quantitative groundwater status assessment; (4) Practical trainings in surface and groundwater monitoring in line with EU WFD requirements, including transboundary surveys with Georgia; (5) Surface water monitoring trainings (data collection and analysis, diatom trainings, macro-zoobenthos and phyto-benthos taxonomic identification training); (6) Training on assessment of groundwater status; (7) Training on wastewater based epidemiology monitoring; and (8) Development of road map for implementation of EU Drinking Water Directive.

20. Among the policy documents developed with the support of the UNDP component of EU4Sevan - Environmental Protection of Lake Sevan Project, the draft *Lake Sevan National Vision for 2050* and draft *Strategy for the Restoration of the Lake Sevan Ecosystem for 2025-2030* were submitted to the Government for adoption. The Lake Sevan National Vision 2050 was defined as follows: *Lake Sevan is the ultimate value for the Republic of Armenia and the Armenian people/all Armenians. Lake Sevan is a healthy, sustainable ecosystem and a strategic resource, and the important components of its science-based, modern and inclusive governance are the wellbeing in the lake's catchment basin communities, as well as the security, environmental, cultural, economic and social priorities of the Republic of Armenia.*

21. The draft "Strategy for the Restoration of the Lake Sevan Ecosystem for 2025-2030" outlines the following key priorities: (1) Lake Sevan preservation as a freshwater ecosystem of national and regional significance, with focus on restoring the ecological balance of Lake Sevan and its watershed by stabilizing its water level at 1903.5 m, reducing pollution, and protecting biodiversity; (2) Sustainable water economy, aimed to conserve water resources, enhance management efficiency, modernize water systems, and attract investments; (3) Resource management, focusing on ensuring sustainable and equitable resource extraction, and avoiding overexploitation; (4) Sustainable economic development, including measures to improve productivity, resource use, and technology adoption in agriculture and focusing on efficient and responsible use of renewable energy; and (5) Climate change adaptation, with focus on measures to adapt to climate change trends at global, regional, and local levels.

22. A new National Biodiversity Strategy and Action Plan (NBSAP) for the years 2024-2033 has recently been drafted the draft NBSAP has been aligned with the Kunming-Montreal Global Biodiversity Framework (Post-2020 Targets), adopted at CBD COP 15, emphasizing the "30 by 30" target of conserving 30% of land and water by 2030. The national targets related to the strategic direction on enhancement of biodiversity and ecosystem conservation and restoration of degraded habitats are as follows: (a) to enhance conservation of biodiversity habitats while minimizing their degradation; and (b) to enhance in-situ and ex-situ conservation of biodiversity. At present, the NBSAP for the years 2024-2033 awaits its adoption by the GoA.

23. The Project will contribute to the COP-17 agenda, as it aims to improve effectiveness of ecosystem restoration which incorporates biodiversity conservation to enhance ecological integrity and resilience of the Lake Sevan ecosystem, aligning with Armenia's strong commitment to inclusivity and multi-stakeholder participation. By actively involving civil society, the private sector and academia in biodiversity conservation and ecosystem restoration measures, the Project

will demonstrate country's dedication to tackling the triple crisis of biodiversity loss, environmental pollution, and climate change.

II. STRATEGY

Overall objective:

24. The **Overall objective** of the *EU4BiodiversityinSevan: Enhancing Lake Sevan Ecosystem Restoration - Project is to foster an enabling environment for the restoration of Lake Sevan ecosystem. This involves* strengthening the management capacities of relevant state institutions, implementing effective ecosystem restoration measures, including measures for biodiversity conservation, as well as introducing sustainable financing and incentive mechanisms.

Specific objective:

25. The Project is aligned with the objectives and priorities of the EU's *Multiannual Indicative Programme 2021-2027 for Armenia* (MIP). The **Specific Objective** associated with MIP Priority Area 3: *Environmental and Climate Resilience* is: "*Sustainable use of natural resources, biodiversity protection, and improvement of environmental quality of life*". This Specific Objective focuses particularly on the greening of urban areas, improved management of solid waste and wastewater, expansion and sustainable management of protected areas and restoration of damaged ones, better management of the environmental challenges in the mining sector, and improved seismic safety, while also reinforcing Disaster Risk Reduction efforts

Outcome:

26. The **Outcome** of the Project is: **The restoration of Lake Sevan ecosystem is enhanced**. This Outcome of the Project directly aligns with a strategic priority of the *Global Europe Results Framework* (GERF). The relevant GERF Level 2 Indicator is: "2.9: Areas of terrestrial and freshwater ecosystems under (a) protection, (b) sustainable management with EU support".

27. The long-term impact of the project is the sustainable restoration and preservation of the Lake Sevan ecosystem, ensuring the resilience of its biodiversity, improved ecosystem services, and economic benefits for present and future generations. This will contribute to Armenia's environmental sustainability, climate adaptation, and compliance with international commitments, including CEPA, SDGs, and biodiversity conservation goals. The project aims to create an enabling environment for the effective restoration and sustainable management of Lake Sevan's ecosystem. This will be achieved through strengthened institutional capacities, enhanced effectiveness of restoration measures, and the introduction of sustainable financing mechanisms.

28. Strengthening governance structures and institutional capacities will lead to improved planning, implementation, and monitoring of ecosystem restoration efforts for biodiversity conservation in Lake Sevan basin. By fostering inter-sectoral coordination and enhancing knowledge-sharing mechanisms, the responsible institutions will be better equipped to implement and enforce policies and engage in evidence-based decision-making.

29. Direct restoration actions targeting key ecological components will lead to the revitalization of the Lake's ecosystem. Riverbank and forest rehabilitation, along with targeted conservation programs, will support biodiversity recovery, enhance water, air quality, promote sustainable resource management and resilience to climate change.

30. Establishing sustainable financing mechanisms will ensure long-term environmental and economic viability of restoration efforts. By engaging the private sector, enhancing financial sustainability of Sevan National Park, and introducing incentive mechanisms, the project will create a self-sustaining model for ecosystem conservation.

31. Ensuring gender-sensitive awareness campaigns and targeted communication strategies will enhance public understanding and stakeholder participation in ecosystem conservation.

Outputs:

32. The Project has three outputs. All of them are interconnected and highly complementary and contribute to the further enhancement of financial sustainability in the restoration of the Lake Sevan ecosystem.

Output 1: Institutional, technical, and human capacities of entities and institutions involved in Lake Sevan ecosystem management are strengthened.

1.1. Develop and deploy digital tools for enhanced biodiversity monitoring and reporting.
1.2. Comprehensive assessment of the Lake Sevan industrial fishing value chain and development of a sustainable fisheries management system.

Output 2: Effectiveness of Lake Sevan ecosystem restoration measures for biodiversity conservation in Lake Sevan basin is improved.

2.1. Implement riverbank/riverbed restoration demonstration measures to support Sevan Salmo populations.
2.2. Conduct a comprehensive forest cover assessment and revision of the forest rehabilitation plan for the Lake Sevan basin.

Output 3: Financial sustainability for the Lake Sevan ecosystem restoration is enhanced.

3.1. Facilitate public and private sector engagement in Lake Sevan's ecological restoration.
3.2. Enhance financial sustainability of Sevan National Park through utilization of recreational potential.
3.3. Promote sustainable business activities in Lake Sevan basin promoted through introduction of economic incentives and disincentives.

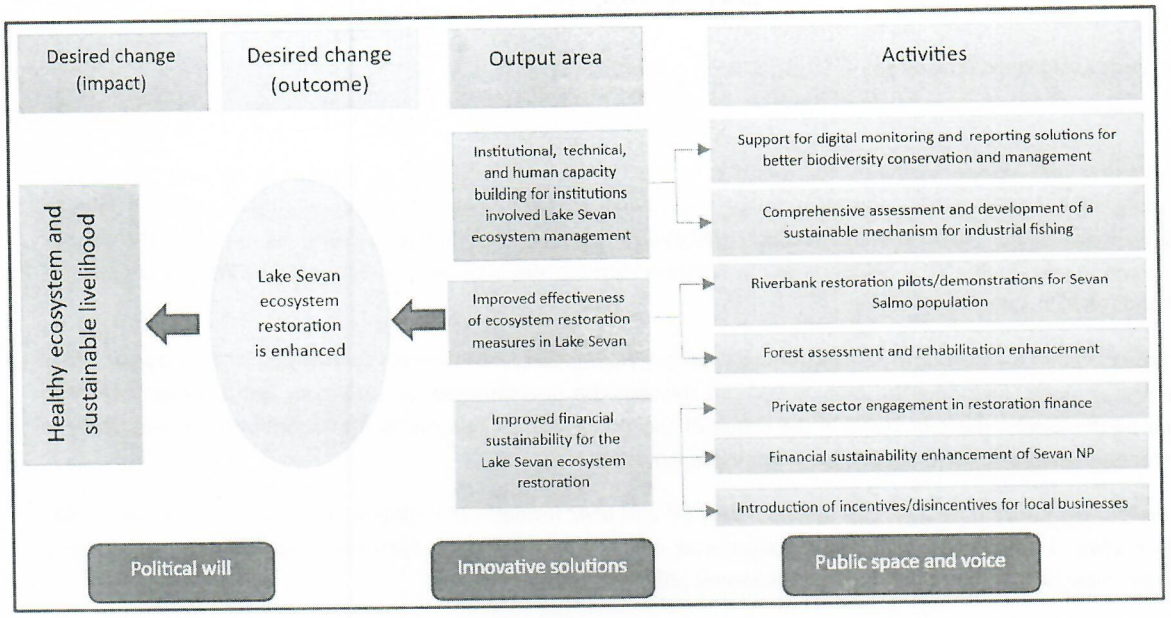
33. Project results are in line with UNDAF Outcome 5 "Ecosystems are managed sustainably, and people benefit from participatory and resilient development and climate-smart solutions" and fit to CPD Output 2.3 "Improved national and local governments capacities to introduce environmentally sound management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

Theory of Change:

34. The Project's Theory of Change is based on the understanding that achieving a healthy ecosystem and sustainable livelihoods requires systemic changes in decision-making across various sectors. These changes will support the country's transition to a resource-efficient, resilient, and socially inclusive economy as well as to the effective management of its rich ecosystems and natural resources within the limits of natural capital.

35. By addressing governance gaps, enhancing restoration efforts, and ensuring financial sustainability, the project will lay a solid foundation for long-term ecosystem resilience and environmental sustainability of Lake Sevan. The combined effect of strengthened institutions, targeted restoration measures, and sustainable financing will enable Armenia to effectively restore and preserve its most vital freshwater resource an ecosystem, securing its ecological and socio-economic benefits for generations to come. Sustained political commitment, innovative and evidence-based solutions, and meaningful public participation are assumed to be critical drivers for the change (Refer to the Diagram below).

36. The Project has the rights-based approach in its centre. It will greatly contribute towards equity and inclusiveness by directly tackling environmental degradation, which has a greater impact on poorer segments of the society. Ecosystem degradation in Lake Sevan directly impacts the local economic development, i.e. income of fishermen and people working in the tourism sector. By targeting low-income communities, the Project will significantly support the female-headed households, through which it will further contribute towards gender equality efforts.



Theory of Change Diagram

37. In line with the *EU Gender Action Plan*, gender equality will be mainstreamed across all the key interventions of the Project, together with a focus on youth, including all the awareness raising campaigns on ecosystem restoration for biodiversity conservation in Lake Sevan basin. Thus, the awareness raising initiatives implemented within the Project will focus on the advantages and importance of gender equality, providing information on how it can lead to sustainable development of communities in Lake Sevan basin.

38. Consistent with *UNDP Gender Equality Strategy*, the Project will advance women's environmental stewardship and will work with the stakeholders to involve more women leaders into decision-making process at local level. The Project will collaborate with organizations in Lake Sevan basin already advocating the value of nature-based solutions and involving women in environmental activities and campaigns.

39. Development of awareness raising measures and materials will target at both, women and men, and reflect the different needs and interests of both sexes. The project will support the quantitative and qualitative participation of women in decisions on the elaboration and implementation of measures under output 2 (e.g. river restoration, forest rehabilitation, etc.). High participation of and benefits for women will further be aimed at in all steps of planning, monitoring and evaluation of the Project.

40. Environmental sustainability is central to this project, recognizing the Lake Sevan basin's ecosystems as critical capital. The economic value of natural resources is growing with increased fishing, agricultural production, which at the same time implies potential risks and further depletion of natural resources if not sustainably managed. It will therefore be ensured that all stakeholders understand and appreciate the economic value of the environment and of ecosystems, that activities equally take environmental sustainability and social inclusion into account.

41. The ecosystem-based approach is another fundamental pillar of the project. It will serve as the guiding principle for implementing restoration measures, as well as for planning and managing activities within the Lake Sevan basin. This approach emphasizes an integrated, holistic method for balancing ecological health with human development. By aligning ecosystem restoration practices, it aims at promoting sustainable livelihoods for local communities. Applying the ecosystem-based approach will foster long-term resilience for the ecosystem and the people who depend on it.

42. Building on previous achievements, this project aims to address the immediate needs for restoration of Lake Sevan ecosystem, while also contributing to longer-term solutions through supporting financial sustainability for the ecosystem restoration for biodiversity conservation in Lake Sevan basin. By strengthening Lake Sevan's ecosystem resilience and adaptation to climate change, land degradation neutrality, and biodiversity conservation, the Project will contribute to preserving the lake's valuable freshwater resources, reaching biodiversity and overall ecological health, and providing sustainable ecosystem services for surrounding communities and the Armenian population.

43. The Project will cooperate with the ongoing projects, such as UNDP/GEF "Conservation and Sustainable Management of Land Resources and High Value Ecosystems in Lake Sevan Basin for Multiple Benefits" Project, UNDP/GEF "Biodiversity Finance Plan" project, UNDP/GEF Small Grant Program (SGP), as well as KfW-funded "Biodiversity and sustainable local development in Armenia" project and activities implemented by WWF and Caucasus Nature Fund (CNF) in Lake Sevan basin.

44. The Project will also consider the results of water sector vulnerability assessments carried out in the scope of UNDP implemented projects, including the one carried out towards the development of the Water Sector Adaptation Plan (approved by the Government in 2022) in the scope of the UNDP-GCF project on "National Adaptation Plan (NAP) to advance medium and long-term adaptation planning in Armenia.

45. The Project will coordinate activities with the new EU and BMZ funded GIZ initiative on Lake Sevan and EU funded regional initiative - EU4Green Recovery East Programme, which supports Eastern Partnership countries in transitioning to a greener, more resilient, and competitive economy (2025-2028).

III. RESULTS AND PARTNERSHIPS

Expected Results

46. The activities under the Project will be aligned, to the extent possible, with the Programme of Measures of the Sevan RBMP adopted by the GoA, as well as with the actions included in the draft Sevan NP Management Plan, Lake Sevan Ecosystem Restoration Strategy and the National Biodiversity Strategy and Action Plan for Armenia, which are currently under the process of adoption by the GoA.

47. During an inception phase of 4 months, the setting up the project team, necessary baseline and scoping studies will be carried out, based on which the workplan and activities for the remaining project phase will be fine-tuned.

48. **Output 1 (institutional, technical, and human capacity building)**: to strengthen institutional, technical, and human capacities for Lake Sevan ecosystem management, the project will provide targeted capacity development, technical assistance, and process guidance to relevant authorities and institutions in alignment with the Sevan RBMP, NBSAP, and draft Sevan NP Management Plan.

49. A key component of this effort is the provision of technical support for monitoring and assessing Lake Sevan's fish stocks across species. This plays a crucial role in biodiversity conservation and ecosystem sustainability by ensuring accurate, up-to-date data on aquatic populations. A systematic approach to fish stock monitoring will help identify trends, assess the health of aquatic ecosystems, and support the implementation of sustainable management strategies. Through data-driven decision-making, the monitoring framework will generate valuable insights into species distribution, abundance, and migration patterns critical for informed conservation and management actions.

50. The Project will facilitate the use of digital tools and technologies to improve data accuracy and streamline reporting. The Project envisages training relevant stakeholders in Armhydromet and Sevan BMO and Sevan NP on modern data management approaches and machine learning applications, which will provide them new skills needed to leverage advanced technologies in biodiversity conservation, leading to more effective management and protection of natural resources. The project will strengthen the institutional capacities of the EcoPatrol Service in their everyday work, including control over the economic fishery practices, more effective biodiversity conservation and management through comprehensive training programs and provision of advanced equipment.

51. Provision of modern technology to the EcoPatrol Service, including drones and advanced IT tools, will significantly empower the staff to conduct effective and efficient throughout the Sevan NP. Upgrading the Sevan BMO with modern technology will also improve data collection, analysis, and reporting, ensuring that data on water use permitting conditions issued in the Lake Sevan basin are based on real-time, accurate information. The details of interventions will be identified during the inception phase of the project.

52. A comprehensive assessment of the industrial fishing value chain will be conducted to help the MEnv to understand industry dynamics, challenges, and opportunities towards better bioresources management in the Lake. This

assessment will evaluate current practices, identify areas for improvement, and analyze all stages of the fishing process - from capture to processing and distribution. Findings will inform a sustainable industrial fishing mechanism, incorporating policy revisions, stricter regulations, and modern technologies to promote compliance.

53. To enhance enforcement, the project will support the EcoPatrol Service with quota control software, equipment and training, reducing illegal fishing activities, particularly concerning whitefish. This balanced approach to industrial fishing will ensure biodiversity preservation and ecosystem rehabilitation while supporting the livelihoods of local communities reliant on the fishing industry.

54. **Output 2 (ecosystem restoration, including biodiversity conservation):** The project will support ecosystem restoration by implementing riverbank restoration pilots and forest inventory and rehabilitation planning measures in the Lake Sevan basin, in alignment with the Sevan River Basin Management Plan (RBMP) and the draft Sevan NP Management Plan.

55. The riverbed/riverbank restoration efforts will be implemented on at least two sections of two rivers that are vital for Sevan Salmo population and have been identified as water bodies at risk in the Sevan RBMP. A thorough assessment of riverbanks will be conducted in cooperation with the MEnv to determine areas where restoration interventions can have the greatest ecological and hydrological impact, particularly for the Sevan Salmo population.

56. Following the assessment, the project will implement pilot restoration initiatives, considering nature-based solutions in order to contribute to restoring the river's natural flow dynamics and enhancing habitat quality for fish populations. To complement technical restoration work, awareness programs targeting local authorities, communities, and youth will be conducted. These programs will highlight the ecological significance of riverbank restoration, fostering local engagement in conservation efforts.

57. The project will also support forest inventory and rehabilitation planning in Lake Sevan and create a comprehensive dataset on forest cover and the condition, e.g., health, degradation. Based on the inventory findings, expert support will be provided to review and update the Lake Sevan Forest Rehabilitation Plan (adopted in 2012). The revised plan will incorporate modern ecological and climate adaptation strategies, ensuring sustainable forest recovery.

58. To enhance reforestation efforts, the project will upgrade the existing forest nursery in Sevan NP, ensuring the availability of high-quality native seedlings for forest rehabilitation measures. This initiative will not only support long-term ecosystem restoration for biodiversity conservation but also improve financial sustainability of Sevan NP.

59. **Output 3 (financial sustainability):** To ensure long-term financial sustainability, the project will focus on engaging the private sector in financing ecosystem restoration in Lake Sevan basin, enhancing the financial sustainability of Sevan NP and introducing economic incentives and disincentives for businesses operating in the region.

60. In order to support engaging the private sector in restoration finance, the Project will initiate an assessment of ecosystem financing mechanisms, aimed at identifying viable funding models that can support long-term restoration efforts. This will involve identifying and evaluating existing financial instruments that bring private sector investment in ecosystem restoration, including biodiversity conservation. Based on this assessment, the Project will support the introduction of selected engagement models in Lake Sevan basin, e.g., Payment for Ecosystem Services (PES) schemes, Public-Private Partnership (PPP) schemes. These models will facilitate private sector investment in ecosystem restoration while ensuring that economic benefits from ecosystem services are reinvested into biodiversity conservation efforts.

61. To enhance the financial sustainability of Sevan NP, targeted measures will be implemented in alignment with the park's visitor management and marketing programs outlined in the Sevan NP Management Plan. These efforts will focus on improving visitor experience, optimizing revenue generation, and promoting sustainable ecotourism. Key activities may include modernization of the Sevan NP Visitor Centre through the introduction of digital information solutions, development of bicycle trails and furnishing of tourist trails, specialized training programs for tour operators, tour guides, and hiking guides to enhance their knowledge of Sevan NP's unique ecological, cultural, and recreational attractions, establishment of designated areas within Sevan NP for tent camping and amateur fishing. These interventions will generate sustainable revenue, contributing to the financial sustainability of Sevan NP and supporting its conservation goals.

62. To encourage sustainable business practices, the project will assess economic incentives and disincentives for local businesses. This will involve exploring tax breaks, green labelling, and financial incentives for companies that adopt environmentally friendly measures such as wastewater treatment and energy efficiency. Conversely, penalties for non-compliance with environmental standards will be considered to discourage harmful activities.

63. The project will align these economic incentives with the findings of the Sevan NP Management Plan, engaging economic operators such as Start-up Armenia Foundation, Tufenkian Avan Marak Tsapatagh Hotel, Armenian Camp Recreation Area, and Foundation for the Restoration of Sevan Trout Stocks and Aquaculture Development. The operators will be selected for pilot implementation of identified economic incentives.

64. **Cross-Cutting Measures (awareness raising and public engagement)**: Gender-sensitive awareness and communication efforts will be integrated across all outputs, targeting key stakeholders to promote environmental responsibility, sustainability, and climate resilience. By implementing these measures, the project will create a robust foundation for ecosystem restoration, biodiversity conservation, and sustainable resource management, enhancing Lake Sevan basin's resilience to climate change and human pressures.

Resources Required to Achieve the Expected Results

65. UNDP will establish a project team responsible for implementing the planned activities and achieving the outlined results. The UNDP office will ensure accountability, transparency, effectiveness, and efficiency throughout the project's implementation. In accordance with UNDP corporate regulations, UNDP will provide the following key support services for the project: (i) identification and recruitment of project personnel, (ii) procurement of goods and services, and (iii) financial services. Financial oversight, including approval of expenditures, audits of allocated funds, and monitoring of results, will be managed by the UNDP country office.

66. Budget implementation tasks of UNDP will involve managing tenders, grants, and the procurement of goods and services. This includes launching calls for tenders and proposals, defining eligibility and selection criteria, evaluating tenders and proposals, awarding grants and contracts, acting as the contracting authority, and overseeing contract execution. It also involves monitoring contracts, processing payments, and recovering outstanding amounts. Directly implemented activities by UNDP encompass providing technical, strategic, organizational, and process advice, offering human capacity development, organizing workshops, and supervising services delivered by deployed consultants.

67. The Project Team will be established under UNDP's Portfolio for Climate, Environment and Resilience, comprised of (1) Project Coordinator; (2) Project Financial and Administrative Assistant; (3) Ecosystem Restoration Specialist; (4) Environmental Economist/Environmental Finance and (5) Communications/M&E Specialist, (6) Driver, (7) UNDP programme associate, (8) UNDP M&E officer, (9) UNDP procurement officer, (10) UNDP IT officer.

Partnerships

68. The "Implementation of the Principles and Practices of the Shared Environmental Information System in the Eastern Partnership Countries" project strengthened Armenia's regular environmental reporting processes. This included the creation of environmental indicators and assessment reports, with a set of indicators developed based on EEA standards related to water resources, biodiversity and climate change. *The Project will use the outcomes of the project in enhancing the biodiversity monitoring and reporting capacities in Sevan NP, EcoPatrol Service and Sevan BMO.*

69. With support from the EUWI+ Programme (2020-2022), Armenia developed its first River Basin Management Plan for Lake Sevan, which was approved by the government in 2022. *The Project will facilitate implementation of several measures included in the Program of Measures of the Sevan RBMP.*

70. Through the EU4Sevan-Environmental Protection of Lake Sevan Project (2020-2025), significant progress has been made to improve the environmental condition of Lake Sevan. Among key achievements were developing a comprehensive monitoring concept for the Lake Sevan basin and launching the Lake Sevan section of the Armenian EcoPortal as a unified platform for data access and management. *The Project will use the Armenian EcoPortal for dissemination of information on the results and outcomes of the project.*

71. The Project will also cooperate with the UNDP/GEF Small Grants Programme to enhance local capacity for implementation of community-based initiatives with a focus on nature-based solutions, particularly in developing PPPs and introducing PES schemes in Lake Sevan basin.

72. The Project will cooperate and collaborate with the following on-going projects and programs in streamlining the measures and interventions, potentially leveraging co-financing opportunities: EU4Green Recovery East Programme, UNDP/GEF "Conservation and Sustainable Management of Land Resources and High Value Ecosystems in Lake Sevan Basin for Multiple Benefits" Project, UNDP/GEF "Biodiversity Finance Plan" project, project, as well as on activities in Lake Sevan basin implemented by WWF and CNF.

73. The Project will cooperate with the GIZ-funded *Sustainable Water and Wastewater Management for the Resilient Development of Armenian Communities (EU4Sevan+) Project*, to be implemented over three years, tentatively stating in late fall 2025. The EU4Sevan+ Project is aimed at enhancing climate-resilient, energy-efficient, and nature-positive water and wastewater management systems in the Lake Sevan catchment area and interconnected basins. The areas of collaboration may include measures towards strengthened climate resilience through innovative, eco-friendly solutions, as well as activities to promote improved environmental quality and reduced pollution in the Lake Sevan catchment area.

Risks and Assumptions

74. Risks and mitigations measures were identified during the formulation phase (see Annex 3).

Stakeholder Engagement

75. The direct beneficiaries of the programme are the Armenian citizens, in particularly those living in the Lake Sevan basin (almost coincides with the area of Gegharkunik Marz). As of January 1, 2025, the total population of Gegharkunik Marz is approximately 215,000 permanent residents (about 69,100 urban, and 145,900 rural). The local communities will directly benefit from project measures to improve the environmental status of the Lake Sevan ecosystem, environmental awareness and river cleaning initiatives. Local farmers and private sector operators will also directly benefit from project activities and outcomes.

76. The Ministry of Environment is also the implementation partner for the Project. Among other tasks, the Ministry implements strategic management, protection and allocation of water resources with the main enforcement tools being the water use permits. Other key ministries the project will work with are the Ministry of Economy, which is responsible for the agricultural sector, and the Ministry of Territorial Administration and Infrastructure (MTAI), which is in charge of local governance and infrastructure. The Water Committee of the MTAI is a public agency, which develops and implements the policy of the Government of Armenia regarding the management and use of state-owned water management systems.

77. The "Sevan National Park" SNCO of the MEnv was established in 1978 with about 340 km^2 area and is governing institution responsible for the protection of the National Park ecosystem's landscape and biological diversity, natural heritage, for scientific research, inventory and monitoring, as well as for conservation, rehabilitation and sustainable use of natural resources. Sevan National Park is authorized for commercial operations as well and in overall responsible for day-to-day management of the Park.

78. The EcoPatrol Service of the MEnv was established in 2024 with the functions to ensure compliance with the rules for the protection of state forests, forest lands and nature specially protected areas, exercising control over fire safety in forests and specially protected areas and prevent or mitigate the anthropogenic negative impact on the protection and natural development of ecosystems and their components in SPNAs of Armenia.

79. The National Academy of Sciences, particularly the Scientific Center of Zoology and Hydroecology and the Center for Ecological-Noosphere Studies, Institute of Botany carry out monitoring of Lake Sevan.

80. Gegharkunik Regional Administration (Marzpetaran) is responsible for and implements the territorial policy of the government at the regional level, coordinates the activities of the territorial services of the republican executive bodies.

81. Local stakeholders in the Sevan basin, particularly for the implementation of pilot measures, include local self-government bodies in Lake Sevan basin (Gegharkunik Marz) in Gavar, Chambarak, Martuni, Sevan and Vardenis towns, village communities, local NGOs and civil society organisations, farmers and farmers associations as well as private sector such as tourism operators, hotels and restaurants.

South-South and Triangular Cooperation (SSC/TrC)

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

Digital Solutions

83. Digital solutions incorporated into the project implementation will include, but not limited to: (a) Developing and deploying digital tools for enhanced biodiversity monitoring and reporting for Sevan National Park under the Output 1; (b) Providing support to enhanced monitoring and enforcement of industrial fishing through implementation of automated monitoring and surveillance systems to combat illegal or unregulated fishing under the Output 1; and (c) modernizing Sevan NP Visitor Centre through the introduction of digital information solutions under the Output 3.

Knowledge

84. Knowledge management is a central aspect of the project. Although budgets and activities are distributed across the three main outputs, the knowledge management strategy will be overseen by the core project team. The Project Coordinator will have a key role in coordinating and overseeing the strategy's implementation. Technical input for knowledge products will be provided by the consultant teams as part of their responsibilities. Throughout the project, the team will collaborate with key partners, including government and non-government institutions, to identify key findings and develop and share knowledge products. Regular consultations with these partners will ensure their commitment to building and sharing knowledge on the relevant issues beyond the project's scope.

85. The project will also support the exchange of information and knowledge on ongoing initiatives related to Lake Sevan ecosystem through a regular multi-stakeholder platform. This could take the form of an annual Sevan conference or forum, involving national and local authorities, NGOs, community-based organizations, development partners, academia, and the private sector. This platform will provide stakeholders the chance to share results and experiences, as well as inform each other about current and upcoming projects, facilitating better coordination. It will also help raise awareness among political decision-makers, the media, and the public on the key issues and necessary actions for the protection of Lake Sevan.

86. For the long-term sustainability of knowledge transfer, the project will utilize existing social media platforms and link to UNDP and government social media to make all relevant reports, documents, and findings accessible to interested parties.

Communication and Visibility

87. The Project will create a range of communication activities tailored to various target groups and stakeholders, including project beneficiaries, implementing partner, local authorities in Lake Sevan basin, local media, and other donors. UNDP will ensure the Project's visibility is fully aligned with the EU's visibility standards, as outlined in the Communication and Visibility Manual for EU External Actions. While the Project does not have a separate budget specifically for visibility, any costs required to meet contractual visibility obligations will be included in the project budget allocated for the relevant objectives and activities.

88. Communication and visibility are central components of the Project. To ensure a successful communication strategy, the objectives must be clear, specific, and measurable. These objectives will be aligned with key project milestones to maximize impact and will be developed in coordination with all work packages. They will be defined through the dissemination strategy that will also address key questions regarding how information will be shared.

89. Key objectives of communication and visibility measures will include: (a) effectively communicate the Project's goals, actions, and achievements at local, national, and EU levels; (b) identify and target the right audiences for message dissemination; (c) utilize a broad and varied range of tools and events to share information; (d) establish indicators to assess the effectiveness and efficiency of communication efforts; and (e) explain how the Project will collaborate with other donor-funded initiatives or related projects.

90. Communication will be ongoing throughout the entire Project lifecycle. Activities will be strategically timed and sequenced to ensure maximum visibility and engagement. They will inform stakeholders about the purpose of the Project, the EU's support, and the results and impacts achieved.

91. Visibility efforts will run concurrently with the Project and will be closely coordinated with UNDP Armenia office and EU Delegation to Armenia. Activities may include press releases, social media updates, the publication of case studies and success stories, videos, photographs, and printed materials where suitable.

92. A key focus of communication will be to highlight how the Project contributes to biodiversity conservation, ecosystem restoration, and climate change mitigation. These efforts will showcase results both at the local level (benefiting communities in Lake Sevan basin) and at a broader national level. The emphasis will be on tangible outcomes and impacts rather than internal processes or financial inputs.

93. The overall goal of communication and visibility activities is to inform beneficiaries and stakeholders about the Project's objectives, outcomes, and the support provided by partners. The information will be delivered through accessible and appropriate tools to ensure broad reach and understanding.

94. The main target stakeholders of the Project can be grouped into the following categories:

- Local beneficiaries, who directly benefit from the Project;
- The wider public, including first and foremost the local population in Lake Sevan basin, but also international audiences to demonstrate the achievements, goals, and benefits of the Project and how the EU's and UNDP's activities help improve the environment in the country.
- Other key stakeholders, such as policymakers and other decision-makers to raise awareness of the goals and benefits of the Project.

95. EU and UNDP will review the appropriateness and suitability of the target groups and key messages throughout the implementation period and propose revisions, as necessary.

96. In addition to the communication and visibility opportunities that arise through the implementation of the Project, the EU and UNDP will make use of communication and visibility opportunities at local, national, and global levels (World Environment Day, EU Day, local events around Lake Sevan, etc.) to communicate about the Project.

97. The typology of the communication and visibility activities will include but not limited to:

A. Public awareness raising activities
   - Project Launch Event
   - Awareness raising campaigns
   - Final event including press participation, local authorities, and beneficiaries.
   - TV & Radio interviews

B. Informative activities
   - Quarterly newsletter
   - Publication on beneficiaries' websites and social media
   - Promotional printed materials
   - Videos on success stories
   - Project Factsheets
   - Press releases, articles, TV, and Radio interviews on the Project in mass media

C. Dialogue and dissemination
   - Meetings with Armenian government
   - Meetings with international community
   - Internal project communication among the partners

Gender equality (GEN2)

98. The Project promotes the inclusion of gender equality in strategies, concepts, and guidelines for the sustainable and biodiversity-friendly management of the Lake Sevan ecosystem. The databases, analyses, tools, and decision-support systems developed by the project will be based on gender-disaggregated data. These will be created and implemented with significant involvement from both men and women in roles such as researchers, planners, trainers, and lecturers. Training, awareness-raising initiatives, and materials will be designed to address the needs and interests of both genders. Overall, UNDP will integrate gender considerations into all phases of the project, applying the following approach:

- Ensure gender mainstreaming in capacity development measures, including family engagement into public awareness and capacity-building activities
- Encourage the women and men to participate in training and to plan, discuss and make decisions jointly
- Ensure gender-responsive methodology taking into consideration the specific needs of women and men during assessments and studies, trainings, and awareness-raising campaigns.

Sustainability and Scaling Up

99. Sustainability is a key pillar of the project, ensuring that the positive outcomes are sustained beyond the project's duration. The following strategies outline how the project aims to achieve long-term sustainability.

100. To secure the long-term effectiveness and **sustainability at policy level** of the interventions, the Project is in line with the national policy and planning frameworks, particularly the *Sevan River Basin Management Plan*, draft *Sevan National Park Management Plan*. The Project further strengthens the regulatory framework for ecosystem management in Armenia via development of new forest rehabilitation plan for Lake Sevan basin, as well as providing recommendations for development of a sustainable fisheries management system based on a Comprehensive assessment of the Lake Sevan industrial fishing value chain In addition, the Project seeks to disseminate approaches and innovations developed in the field of ecosystem management via riverbank/riverbed restoration measures and strengthen the capacities for scaling-up pilot measures.

101. In order to ensure **institutional sustainability**, the Project sustainably strengthens core capacities of the responsible national institutions, including Sevan NP, Sevan BMO and EcoPatrol Service, as well as those of local resource users. The specific roles and tasks performed by men and women are given due consideration when providing advice, designing measures and also during hands-on implementation and final evaluation.

102. Close coordination with development partners and donors, such as ADB, KfW, WWF, FAO, CNF and others, will enable other development measures to benefit from the Project's results, contribute to a wide dissemination of approaches and results and prepares the ground for scaling-up of pilot measures through financial cooperation programmes to ensure **financial sustainability**.

103. The Project is directly supporting **environmental sustainability** as protecting ecosystems in the Lake Sevan basin will have a direct impact on restoring the biodiversity and long-term impact on environmental sustainability.

IV. PROJECT MANAGEMENT

Cost Efficiency and Effectiveness

104. To ensure cost-effectiveness and efficiency, the project management will adopt an evidence-based approach aimed at maximizing results with the available resources. The theory of change analysis will be used to explore various strategies for achieving optimal outcomes. Additionally, efforts will be aligned with other projects and agencies working towards similar goals in the target area (as discussed in Section III, Partnerships).

105. UNDP will oversee the monitoring of project activities, including organizing monitoring missions, to improve efficiency. To reduce service and transaction costs, local consultants and contractual services will be engaged more broadly, wherever possible.

Project Management

106. In order to be cost-effective and work with high efficiency, the project management will rely on evidence-based approach in order to deliver maximum results with available resources. By using the theory of change analysis, different options to achieve maximum results with available resources will be explored. UNDP Environmental Programme management mechanism will be used to improve cost-effectiveness by sharing resources and knowledge and leveraging activities and partnerships with other ongoing country office projects.

107. The project will be implemented by UNDP through the "Direct Implementation Modality" (DIM) in close cooperation with the MEnv. In DIM modality, UNDP has the technical and administrative capacity to assume the responsibility for mobilizing and effectively applying the required inputs in order to reach the expected outputs. The UNDP CO will ensure project accountability, transparency, effectiveness, and efficiency in implementation. UNDP will be responsible for the following main functions in accordance with UNDP corporate regulations: (i) identification and recruitment of project personnel; (ii) procurement of goods and services; (iii) financial services.

108. More specifically, UNDP will (1) be accountable for delivering on the expected outputs within the time required, manage risks, and sustain results after the project; (2) provide sensitivity and neutrality in project implementation as required; (3) ensure that the key technical, financial, and administrative capacities required for the project are in place, and (4) deliver good value for money and ensure accountability for resources.

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

110. UNDP will establish a project team which will ensure that the envisaged activities are carried out in a timely manner, and the outputs are reached. The project team will be managed by the Project Coordinator. The Project Coordinator will report to the Head of UNDP Environment, Climate and Resilience Portfolio and will be responsible for all project operations, will ensure proper use of funds and that project activities are implemented in accordance with the agreed project document and project work plans.

Reporting

111. UNDP will submit the following reports to the EU:

- Two Annual Reports, narrative and financial, at the end of the first and second years of implementation. These reports will provide a comprehensive overview of the progress made in achieving the planned results (outputs and outcomes), outlining the activities carried out during the reporting period. They will highlight any challenges faced, the measures taken to overcome them, and the implementation of the Visibility and Communication Plan. The reports will include a work plan for the upcoming 12 months.
- A Final Report, narrative and financial, will cover the entire period of the Project implementation, detailing the accomplishments achieved. It will include information on the activities conducted in the third year of implementation of the project, as well as an overview of the measures taken over the three years to ensure the sustainability of results and facilitate further dissemination and up-scaling.

112. The Annual Reports and the Final Report will assess the degree of achievement of results, referencing the Results Framework and corresponding indicators. The reports will also address any difficulties encountered, changes introduced, and the alignment of activities with the initial plan. Furthermore, the reports will offer a detailed account of the objectives, and the budget specifics to facilitate monitoring of the Project's progress.

V. RESULTS FRAMEWORK

Intended Outcome as stated in the UNDAF/Country Programme Document (2026-2030): Outcome 2 By 2030, climate change adaptation and mitigation, biodiversity protection, and sustainable natural resources management is strengthened, through gender-responsive, inclusive and innovative approaches

Intended Output as stated in the UNDAF/CPD: Output 2.3: National and subnational authorities are empowered to sustainably manage water systems and infrastructure, land, biodiversity and reduce pollution through science-backed solutions, education, alliances, engagement of women and youth, and innovative financing

Outcome indicators as stated in the Country Programme Results and Resources Framework: Indicator 2.3.2: Area (ha) of ecosystems/lands (landscapes) sustainably managed and rehabilitated.;

Applicable Output(s) from the UNDP Strategic Plan 2026-2029: 4.2 Financing for climate and nature-based solutions expanded to promote prosperity while protecting the planet 4.2.e Areas of landscapes under improved practices, excluding protected areas, and production systems under sustainable management (hectares)

Project title and Quantum Project Number: *EU4BiodiversityinSevan: Enhancing Lake Sevan Ecosystem Restoration* –**01006030**

EXPECTED PROJECT OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS[1] (by frequency of data collection)				DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1	Year 2	Year 3	Year 4 (FINAL)	
Project Outcome: *Restoration of Lake Sevan ecosystem is enhanced*	Number of improved management practices for Lake Sevan ecosystem restoration	Field data Ministerial reports	0	2025	0	1	3	5	Field survey data documentation of measures
Output 1: *Institutional, technical and human capacities of entities and institutions involved in Lake Sevan ecosystem management are enhanced* 1.1. Develop and deploy digital tools for enhanced biodiversity	1.1 Number of biodiversity monitoring and reporting tools/processes improved or developed and operational	Documentation of measures. User manuals and technical specs of tools developed	0	2025	1	3	5	5	Document review, Field data inventory and analysis, mapping, Pre- and post-training questionnaires, Participatory meetings **Risks:** Lack of commitment or support from partners and stakeholders may limit the effectiveness of the measures
	1.2 Number of policies and practices improved or established, informed by the industrial fishing assessment's findings and recommendations.	Documentation of measures	0	2025	0	1	2	3	
	1.3 Number of institutions with improved capacities in biodiversity monitoring, reporting or management	Analysis of pre- and post-training evaluations	0	2025	0	1	2	3	

[1] All targets are cumulative.

monitoring and reporting. 1.2. Comprehensive assessment of the Lake Sevan industrial fishing value chain and development of a sustainable fisheries management system.	1.4 Number of participants from Sevan NP, Armhydromet, and Ecopatrol Service with improved skills in modem data management and machine Learning for biodiversity management, by sex and age.	Analysis of pre- and post-training evaluations	0	2025	10	20	30	40	
	1.5 Percentage of staff from Sevan NP, Armhydromet, and Ecopatrol Service with improved skills in modem data management and Machine Learning for biodiversity management.	Analysis of pre- and post-training evaluations	0	2025	20%	30%	50%	75%	
Output 2: *Effectiveness of ecosystem restoration measures for biodiversity conservation in Lake Sevan basin is improved.* 2.1. Implement riverbank/riverbed restoration demonstration measures to support Sevan Salmo populations. 2.2. Conduct a comprehensive forest cover assessment and revision of the forest	2.1 Number of demonstrated river restoration pilots with assessed ecological impacts	Documentation of measures	0	2025	0	1	1	2	Document review, Field survey data, Results of field surveys and groundtruthing **Risk**: Lack of support by MEnv in implementation of river restoration measures
	2.2 Hectares of forest areas inventoried and assessed	Field surveys, ground-truthing, geospatial database	0	2025	0	0	10,000	10,000	
	2.3 Up to date forest rehabilitation plan available for the Lake Sevan basin	Draft Governmental Resolution	0	2025	0	0	1	1	
	2.4 Number of local authorities in the Lake Sevan basin with enhanced skills and awareness in sustainable waterway management	Analysis of pre- and post-training evaluations	0	2025	2	5	7	10	Document review, Field data inventory and analysis, mapping, Pre- and post-training questionnaires, Participatory meetings **Risks:** Lack of commitment or support from partners and stakeholders may limit
	2.5. Number of community members in the Lake Sevan basin with enhanced skills and awareness in sustainable waterway	Analysis of pre- and post-training evaluations	0	2025	0	10	30	40	

rehabilitation plan for the Lake Sevan basin.	management, by sex and age								the effectiveness of the measures
	2.6. Number of people reached by awareness raising campaign on sustainable resource use and the integration of nature-based solutions during COP-17 (October 2026)								
Output 3: *Financial sustainability for the Lake Sevan ecosystem restoration is improved* 3.1. Facilitate public and private sector engagement in Lake Sevan's ecological restoration. 3.2. Enhance financial sustainability of Sevan National Park through utilization of recreational potential. 3.3. Promote sustainable business activities in Lake Sevan basin promoted through	3.1. Number of private sector partnerships established for restoration finance.	Documentation of measures Visits and inspections to local businesses	**0**	**2025**	**0**	**1**	**2**	**2**	Data gathered during the visits and inspections to local businesses **Risk**: Lack of readiness of local businesses to adapt and introduce new economic models aimed at Lake Sevan ecosystem restoration
	3.2. Number of new and improved income-generating opportunities implemented, contributing to the Sevan NP's financial sustainability		**0**	**2025**	**0**	**1**	**2**	**3**	
	3.3. Number of local businesses adopting green practices through introduced incentives and disincentives		**0**	**2025**	**0**	**1**	**2**	**2**	
	3.4. Number of private sector engagement models successfully introduced in Lake Sevan basin for restoration finance	Documentation of measures Visits and inspections to local businesses	**0**	**2025**	**0**	**1**	**2**	**3**	Data gathered during the visits and inspections to local businesses **Risk**: Lack of readiness of local businesses to adapt and introduce new economic models aimed at Lake Sevan ecosystem restoration

introduction of economic incentives and disincentives.									

VI. MONITORING AND EVALUATION

113. Monitoring and evaluation are essential for the effective and responsive implementation of the UNDP Strategic Plan 2026-2029. The UNDP CPD and the UN SDG M&E mechanism will play a central role in tracking the project's progress, documenting achievements, and assessing its impact. To ensure consistent monitoring, a results-based system will be established to regularly collect data on the progress of the Project. UNDP will monitor the implementation and outcomes based on the Project's Results Framework and the Workplan, including specific objectives, outcomes, outputs, indicators, and activities. All monitoring activities and plans will be shared with the EU to enhance joint monitoring efforts. The Results Framework will serve as a management tool, enabling UNDP to make necessary adjustments and revisions at the output, activity, and indicator levels to effectively achieve the desired objectives.

114. During the inception phase, baseline studies will be conducted to provide relevant data for the Results Framework. Throughout the project, a variety of tools and methods will be used to assess both quantitative and qualitative progress indicators. Whenever possible, data collection will be aligned with national partner systems, and indicators will be presented disaggregated by sex, age, urban/rural status, disability, and other disadvantaged groups.

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

Monitoring Activity	Purpose	Frequency	Expected Action
Track results progress	Progress data against the results indicators in the Results and Resources Framework (RRF) will be collected and analysed to assess the progress of the project in achieving the agreed outputs.	Annually	Slower than expected progress will be addressed by project management. A variety of tools and methods will be applied to regularly assess both quantitative and qualitative progress indicators
Monitor and Manage Risk	Identify specific risks that may threaten the achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	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.
Annual Project Quality Assurance	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision-making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.
Project Review (Project Steering Committee)	The project's Steering Committee will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the final year, the Project Steering Committee shall hold an end-of-project review	Annually	Any quality concerns or slower than expected progress should be discussed by the project board and

Monitoring Activity	Purpose	Frequency	Expected Action
	to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.		management actions agreed to address the issues should be identified.
Periodic Monitoring through site visits	UNDP CO will conduct visits to project sites based on the agreed schedule in the project's Annual Work Plan to assess the project progress first-hand. Other members of the Project Steering Committee may also join these visits. A Field Visit Report may be prepared after the visit.	Semi-annually	

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

VII. MULTI-YEAR WORKPLAN [23]

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.

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

Output	Account Code	Budget Description	Y1 2026	Y2 2027	Y3 2028	Y4 2029	Total
Output 1: Institutional, technical and human capacities of entities and institutions involved in Lake Sevan ecosystem management are enhanced	71200	International consultants	23,081.68	23,081.68	17,311.26	-	63,474.62
	71300	Local consultants	45,009.28	54,241.95	34,622.52	8,078.59	141,952.34
	71600	Travel	2,885.21	2,885.21	2,885.21	2,885.21	11,540.84
	72100	Contractual services-companies	6,924.50	57,704.20	69,245.04	5,770.42	139,644.16
	74200	Audio visual & printing and production costs	2,308.17	2,308.17	2,308.17	2,308.17	9,232.68
	75100	Facilities and Administration	5,614.62	9,815.49	8,846.06	1,332.96	25,609.13
	Total Output 1		**85,823.46**	**150,036.70**	**135,218.26**	**20,375.35**	**391,453.77**
Output 2: Effectiveness of ecosystem	71200	International consultants	26,543.93	4,616.34	21,927.60	8,078.59	61,166.46

[2] 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

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

Output	Account Code	Budget Description	Y1 2026	Y2 2027	Y3 2028	Y4 2029	Total
restoration measures for biodiversity conservation in Lake Sevan basin is improved	71300	Local consultants	11,540.84	31,160.27	26,543.93	28,852.10	98,097.14
	72100	Contractual services companies	26,543.93	117,716.57	110,792.07	-	255,052.57
	74200	Audio visual & printing and production costs	2,308.17	2,308.17	2,308.17	2,308.17	9,232.68
	75700	Workshops	-	5,770.42	9,232.67	-	15,003.09
	75100	Facilities and Administration	4,685.59	11,310.02	11,956.31	2,746.72	30,698.64
	Total Output 2		**71,622.46**	**172,881.79**	**182,760.75**	**41,985.58**	**469,250.58**
Output 3: Financial sustainability for the Lake Sevan ecosystem restoration is enhanced	71200	International consultants	0	10,386.76	10,386.76	-	20,773.52
	71300	Local consultants	13,849.00	30,583.23	32,314.35	12,348.70	89,095.28
	72100	Contractual services-companies	4,616.34	53,087.87	57,704.20	5,770.42	121,178.83
	74200	Audio visual & printing and production costs	2,308.17	2,308.17	2,308.17	2,308.17	9,232.68
	75700	Workshops	1,384.90	1,384.90	1,384.90	1,384.90	5,539.60
	75100	Facilities and Administration	1,551.09	6,842.56	7,286.89	1,526.85	17,207.39
	Total Output 3		**23,709.50**	**104,593.49**	**111,385.27**	**23,339.04**	**263,027.30**
Output 4: Project Management Cost (PMC)	67200	Staff DPC	34,622.52	24,235.77	24,235.77	24,199.99	107,294.05
	71400	Contractual services-individual	69,245.04	115,408.41	115,408.41	66,013.61	366,075.47

Output	Account Code	Budget Description	Y1 2026	Y2 2027	Y3 2028	Y4 2029	Total
	71600	Travel	1,615.72	4,154.70	4,154.70	1,615.72	11,540.84
	72200	Equipment and Furniture	923.27	-	-	-	923.27
	72300	Materials and Goods	2,308.17	2,769.80	2,077.35	1,615.72	8,771.04
	72400	Communications and Audio visual equip	5,770.42	577.04	577.04	577.04	7,501.54
	72800	IT equipment	461.63	577.04	577.04	461.63	2,077.34
	73100	Rental and maintenance-Premises	2,077.35	4,154.70	4,154.70	2,077.35	12,464.10
	73300	Rental and maintenance of ITE	230.82	230.82	230.82	115.41	807.87
	74200	Audio visual&print. Production costs	5,539.60	11,540.84	11,540.84	3,116.03	31,737.31
	75700	Training, Workshops and Conferences	4,847.15	4,616.34	4,616.34	4,385.51	18,465.34
	75100	Facilities and Administration	8,934.91	11,778.58	11,730.11	7,292.66	39,736.26
	Management Costs, EU		**136,576.60**	**180,044.04**	**179,303.12**	**111,470.67**	**607,394.43**
							-
	67200	Staff DPC	4,608.29	11,520.74	11,520.74	6,912.44	34,562.21
							-
	Management Costs, UNDP		4,608.29	11,520.74	11,520.74	6,912.44	34,562.21
	Total Project management		**141,184.89**	**191,564.78**	**190,823.86**	**118,383.11**	**641,956.64**
Total Direct costs, EU			**296,945.81**	**567,809.37**	**568,848.03**	**184,271.45**	**1,617,874.66**
Total Indirect cost (7%)			**20,786.21**	**39,746.65**	**39,819.37**	**12,899.19**	**113,251.42**

Output	Account Code	Budget Description	Y1 2026	Y2 2027	Y3 2028	Y4 2029	Total
Total, EU			317,732.02	607,556.02	608,667.40	197,170.64	1,731,126.08
Grand Total, EU and UNDP			322,340.31	619,076.76	620,188.14	204,083.08	1,765,688.29

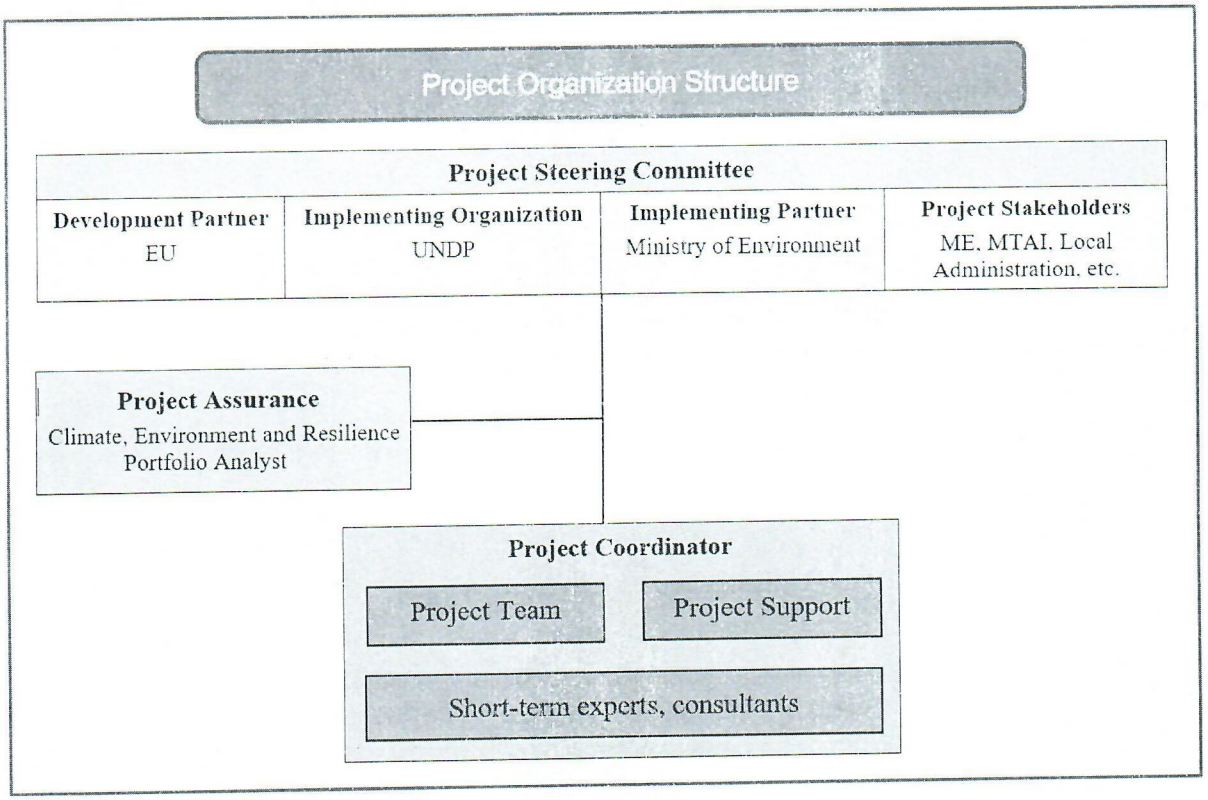
VIII. GOVERNANCE AND MANAGEMENT ARRANGEMENTS

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

118. A Project Steering Committee (PSC) will be established to oversee the management of the Project. The PSC will be comprised of representatives of EU as the donor, UNDP as the implementing organization, MEnv (Minister or someone directly delegated by the Minister) as the implementing partner and other involved project stakeholders.

119. The PSC will meet at least once a year (and any time relevant). It will review progress in the implementation of the project and provide strategic guidance and recommendations to the management of the project. The PSC will also ensure coherence and relevance of the Project, and realistic budgeting over the life of the Project, to capture lessons learned and discuss opportunities for scaling up. It will receive, review and discuss external monitoring reports and evaluations, when applicable.

120. The PSC will function as an overall management structure for the Project to oversee transparency, accountability and efficiency of the Project operations, assess opportunities, risks and political challenges. *Ad hoc* meetings can be called to take decisions on mid-year changes in Project activities or financial allocations, if any.



Project organization structure

Project Assurance

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

Project Implementation:

122. The Project Team will be established under UNDP's Portfolio for Climate, Environment and Resilience. The Portfolio Head (20%) will provide overall supervision and quality assurance for the project's activities on the UNDP side. He/she will monitor various aspects throughout the project implementation, including, but not limited to, ensuring that beneficiary needs and expectations are met or properly managed, risks are effectively controlled, legislative constraints are adhered to, and quality assurance standards are maintained.

123. The Project Coordinator (100%) will oversee all project operations, ensuring the effective allocation and utilization of funds, as well as adherence to the project's activities and workplan. He/she is also responsible for fostering synergy among the various components of the project. The responsibilities also include ensuring overall quality assurance measures and recommending necessary changes, improvements, and new initiatives to enhance the project's effectiveness. The Program Coordinator will maintain strong relationships with the European Union, local partners, and stakeholders to align on the overall strategic concept and direction of the project. In addition, he/she will work closely with other donor organizations to discuss the scope of work and explore potential synergies between initiatives. Personnel management for project staff will also fall under the Project Coordinator's duties, as will the responsibility for the project's closure activities.

124. The Project Financial and Administrative Assistant (100%) will provide essential logistical, financial, and administrative support to the project team across all three outputs of the Project. This role will involve managing the financial and administrative aspects of the Project, ensuring smooth operations throughout the project's lifecycle. Additionally, he/she will handle the organization of administrative tasks and logistics related to Project activities, ensuring that all necessary arrangements are in place for successful implementation. They will also provide support in Project budget planning, as well as monitoring and tracking project expenses to ensure financial efficiency. The Assistant will oversee the management and monitoring of monthly accounting and financial plans, ensuring that all expenditures align with the project's budget. In terms of field activities, he/she will coordinate all field-related efforts, such as organization of field events, workshops, field missions of project staff and consultants, ensuring that these activities run smoothly and efficiently.

125. The Ecosystem Restoration Specialist (40%) will be responsible for attaining Outputs 2 and 1.1 of the project, focusing on restoring and enhancing the ecosystem in the Lake Sevan basin. He/she will coordinate interventions related to studying feasibility of nature-based solutions while implementation of riverbank/riverbed restoration measures on water bodies at risk, in the main rivers flowing into the Lake Sevan that are rich in Sevan Salmo populations. Throughout the planning and implementation of river restoration measures, the Ecosystem Restoration Specialist will facilitate collaboration with local stakeholders, including local authorities, NGOs, and the private sector, ensuring that all efforts are aligned and supported by the relevant parties. In addition, he/she will oversee the process of conducting a comprehensive forest cover assessment in the Lake Sevan basin as well as the activities on updating the existing forest rehabilitation plan to ensure it aligns with the current needs of the ecosystem. Among key responsibility will be coordinating interventions aimed at enhancing biodiversity monitoring and reporting within stakeholder institutions. He/she will also analyse the technical needs of key organizations such as Armhydromet, Sevan NP, and the EcoPatrol Service, working to harmonize their efforts in maintaining, analysing, reporting biodiversity monitoring data.

126. The Environmental Economist/Environmental Finance Specialist (40%) will be responsible for achieving Output 3 of the project, with a focus on ensuring the long-term financial sustainability of the Lake Sevan ecosystem. This role will involve coordinating activities related to engaging both the public and private sectors in the ecological restoration of Lake Sevan. He/she will provide expert advice on analysing possibilities for introducing economic incentive and disincentive mechanisms for local businesses within the Lake Sevan basin. Additionally, the Specialist will offer advisory support for enhancing the financial sustainability of Sevan NP by leveraging its recreational potential. He/she will work with local businesses, helping them develop approaches that promote more sustainable, "green" business practices. He/she will also be responsible for promoting sustainable business solutions in the Lake Sevan basin that are based on applied incentives and disincentives to encourage environmentally responsible practices. Additionally, the Specialist will support the conduction of a comprehensive assessment of the Lake Sevan industrial fishing value chain, identifying critical gaps and areas for improvement. He/she will support efforts in identifying appropriate solutions to establish a

sustainable fisheries management system, ensuring the long-term health and balance of biodiversity in the Lake Sevan basin.

127. The Communication/M&E Specialist (10%) will play a key role in supporting the implementation of the Project by overseeing communication campaigns and ensuring the visibility of the project. He/she will be responsible for developing the project's Communication and Visibility Strategy and ensuring that communication and visibility activities are managed in alignment with this strategy. In addition to these responsibilities, the Communication/ M&E Specialist will be tasked with developing and implementing a robust monitoring system to track the progress of the project as well as will contribute to the preparation and dissemination of reports, ensuring that key project developments are communicated effectively to stakeholders. The Specialist will proactively assist the project team with all public relations efforts, which include organizing workshops, facilitating stakeholder dissemination, and managing social media channels. The Specialist will also provide support in the creation and distribution of publications related to the project.

128. The Project Driver (50%) will provide transportation services to the Project team.

129. The UNDP Programme Associate (10%) will provide logistical, financial and administrative support to the Project team across all activities of the Project. S/he will be also responsible for efficient organisation of the events and visibility.

130. The UNDP M&E Officer (10%) will contribute to the implementation of the Project by documenting project results and using appropriate tools and mechanisms for the monitoring of the project's indicators. This staff member will dedicate approximately 5% of their workload to the Project that will be reported vis-à-vis the timesheet subject to verification and approval by the CO.

131. The UNDP Procurement Officer (5%) will support in procurement of goods and services.

132. The UNDP The UNDP IT officer (5%) will be responsible for IT and office equipment maintenance support, as well as internet and communication support.

IX. LEGAL CONTEXT

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

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

X. RISK MANAGEMENT

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

136. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds are used to provide support to individuals or entities associated with terrorism, 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 under this Project Document.

137. 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).

138. 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.

139. 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.

140. 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.

141. 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 out;
   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 their 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 thereof;
   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 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 party responsible, 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.

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

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.

XI. ANNEXES

1. **Project Quality Assurance Report** https://shorturl.at/C6VUb

2. **Social and Environmental Screening Procedure:** https://shorturl.at/pWo91

3. Risk Analysis

Project Title: *EU4BiodiversityinSevan: Enhancing Lake Sevan Ecosystem Restoration*				Project Number: 01006030	
#	Description	Risk category	Impact & Likelihood = Risk level	Risk Treatment / Management Measures	Risk Owner
1	Compound crises (such as a pandemic, conflict outbreak, or political instability) can impact government priorities, slow down or alter the direction of reforms, and create excessive workloads for institutional staff, which may hinder the timely execution of the project activities.	Safety and Security	The difficulties for project operation in communities and specifically organisation of stakeholder consultations would impact the reputation of the project. Lake Sevan surrounding communities and local businesses will be disinterested in new PPP and PES measures to be introduced. P-3 I-3	Detailed contingency plans will be developed to define specific actions and alternative strategies for addressing crisis situations. Flexible resource allocation will be needed to prioritize essential interventions. Open communication and collaboration with stakeholders will be maintained.	Project Coordinator
2	Structural changes in the Government, particularly in Ministry of Environment may create uncertainties in institutional set up.	Strategic	The unstable governance environment and ongoing ministerial restructuring could lead to instability and shifts in policy priorities, potentially disrupting the administrative structure, that would lead to deteriorating proper implementation of the project. P-3 I-3	Continued dialogue with the GoA. The Project plans to provide support for the new institutional framework and capacity-building efforts.	Project Coordinator
3	High staff turnover, including turnover in leadership at ministerial level and in the local administrations may impact the timely implementation and long-term sustainability of the planned interventions.	Operational	Staff and leadership changes at the ministerial level could lead to interruptions and delays in various project activities. P-3 I-3	A proactive approach to mitigating staff fluctuation risks will involve establishing transparent processes and consultation mechanisms, coupled with robust capacity development and a comprehensive knowledge transfer framework for both individuals and organizations.	Project Coordinator
4	Uncoordinated support activities by different donor-funded initiatives.	Strategic	Prolonged negotiations among multiple stakeholders hinder project progress. P-3 I-2	Proactive donor coordination and support to information exchange under the Project.	Project Coordinator

5	Lack of commitment or support from partners and stakeholders may limit the effectiveness of the measures including public awareness campaign.	Operational	Lack of support at the ministerial level would delay the approval of proposed measures and project activities at the local level, including river restoration, forest rehabilitation, and the introduction of economic incentive or disincentive schemes for local businesses. P-3 I-3	The Project will maintain regular communication with partners to update on the progress, challenges and successes. The contributions of stakeholders to the outreach efforts will be publicly recognized.	Project Coordinator
6	Sporadic military escalation in Gegharkunik Marz may pose a risk to the implementation of activities, particularly along the lake's eastern shore.	Safety and Security	Challenges and security restrictions in certain sub-regions pose a risk to data collection and the implementation of riverbank/riverbed restoration efforts. P-3 I-5	Monitoring the developments related the border escalations.	Project Coordinator