

Reporting Agency: UNDP

Country: Armenia

MONITORING ACTION AND STANDARD PROGRESS REPORT

No. and title: 00118363 Fostering Participatory Development in Bordering Settlements of Gegharkunik and Vayots Dzor Regions / Sustainable Communities

Reporting period: January 2020-December 2021

I. PURPOSE

The Fostering Participatory Development in Bordering Settlements of Gegharkunik and Vayots Dzor Regions (hereinafter referred to as Sustainable Communities) project aims at reducing the asymmetries of territorial development of Armenia targeting sustainable development and economic integration of 34 bordering settlements in Gegharkunik (22) and Vayots Dzor (12) regions with a total population of 41,981. The Project pursues the following objectives:

Objective 1: To foster local participation in development planning and monitoring for bottom-up community development.

Objective 2: To increase economic activity in the settlements through efficient local production and processing.

Objective 3: To innovate for improved local production and management.

Duration: March 2020 - December 2022.

Implementing Partner/Responsible Parties: RA Ministry of Territorial Administration and Infrastructure (MTAI).

Theory of Change: The strategy is supported by the assumptions that i) community development is possible only with the involvement of people in identifying and solving the issues which affect their lives, ii) the residents of the local communities have the willingness and interest to contribute to the wellbeing of their communities and are the main actors to bring the positive change into their community, iii) there is an abundance of local untapped potential in the communities which can be used for the local growth if revealed, developed, framed and granted enough resources, iv) the local communities can absorb innovation adopting new technologies, new mechanisms and management models for improved products, processing, and sustainable growth.

II. RESOURCES AND FINANCIAL PERFORMANCE

	Total Project Budget	Current Year (2021)			All Years Delivery as of SPR date (USD)	All Years Delivery rate as of SPR date (%)
		Annual Budget	Delivery as of SPR date (USD)	Delivery rate as of SPR date (%)		
Government of Russian Federation	2,772,277	1,169.317	699,816	60%	1,730,940	62%
Total	2,772,277	1,169.317	1,122,544	91%	1,730,940	62%

III. RESULTS, PROGRESS, INNOVATIVE AND TRANSFORMATIVE ASPECTS

Programme results: (1) Indicate the project's progress vis-à-vis UNDAF/CPD outcomes, outputs, baselines, and targets, as well as (2) UNDP Strategic Plan (SP) and (3) Sustainable Development Goals (SDG).

The Project contributes to the UNDAF/ CPD outcome 1 and Strategic Plan Outcome: 1 as well as towards achieving the following Sustainable Development Goals: SDG 10-Reduced Inequalities (specifically, 10.1 – By 2030, progressively achieve and sustain income growth of the bottom 40 percent of the population at a rate higher than the national average. SDG 8 – Decent Work and Economic Growth.

2021

Supported 6 SMEs creating 13 new workplaces

Renovated three school canteens

Organized training for 200 farmers

Installed an irrigation system for 45ha

Installed a new lighting system for 1,5 km

Distributed 50 tonnes of potato seeds

Initiated reproduction of 30 tons of original wheat seeds

Designed "Sweet House" and "Honey Money" economic cluster development models

Procured 500 beehives

Renovated 20 pieces of agro machinery

Procured seven valued-added agro machines

Procured a flour mill

In 2021, the project primarily focused on "Start Me Up", "My Village" and "Together" initiatives as main vehicles of development designed to support SMEs in the targeted settlements. Those activities have intrinsic advantages that are conducive to developing cluster solutions further and building sound economic models for them. **6 new startups** (2 of them female-owned) **with the potential of 13 new workplaces (4 of them for women)** were established and received financial and technical support to launch their activities. These SMEs address such issues in the communities as access to quality education for disabled children, reskilling for unemployed women and youth.

Renovation of **three school canteens** in Areni and Khndzorut settlements of Vayots Dzor region and Areguni settlement of Gegharkunik region gave access to better health and hygiene facilities to more than 170 schoolchildren (from 1st to 4th grade).

200 farmers participated in capacity-building training (online and field training) for the application of the latest methods of agricultural techniques for the cultivation of crops.

920 people benefited from the installation of an irrigation system for a 45-ha plot in the Khachik settlement of Vayots Dzor region.

213 people benefitted from the newly built central street lighting system (1,5km) in the Tretuk settlement of the Gegharkunik region.

12 farmers received 50 tons of potato elite seeds in Chambarak, Gegharkunik region for reproduction purposes. As a result of farmers' economic activity, **livelihoods for more than 60 people have been strengthened** as well as more than 100 people got access to income-generating opportunities through seasonal employment.

The project **initiated over 20 consultations** with regional and local administrations, **30 participatory meetings** with the local population, and **20 discussions** with local institutions (Daranik Research center for Vegetables and Technical Crops, Gyumri Selection Station, State Agrarian University, etc).

Several study visits, potential scientific disputes, and discussions were conducted with international organizations such as the National Center of grain after P.P. Lukyanenko and Vavilov Institute of Plant Industry in Russian federation) to explore scientific collaboration opportunities for revitalizing super-elite wheat breeding in Armenia to ensure Armenia's self-sufficiency in the light of double crises. **As a result,**

more than 30 tons of super-elite new sorts of wheat seeds were imported to test and localize for Armenia.

As a new business cluster development initiative, the project designed an idea of establishing a chain of **“Sweet House” -s** that will be specialized in home-based production and processing of sweets such as dried fruits, jam, syrup, honey, etc. The implementation of the “Sweet House” will commence in 2022.

500 pieces of new technology bee hives were acquired to support the honey production in the marzes with a particular focus on women and youth. The initiative pursues the aim of supporting existing beekeepers by replacing old wooden beehives and instigating more people to start beekeeping and honey production.

To strengthen the agricultural machinery pool in the regions, private and community-owned **20 machines from the production year of 2010 and above received financial support for the renovation to be prepared** for the start of the agricultural year of 2022.

To support the activities of the Ambar foundation, the project **acquired 7 pieces of new agricultural machines as well as a flour mill with 750kg per hour capacity**, which will be installed in the seed reserve and logistic center. The construction of the center and installation of the flour mill are planned for the year 2022.

2020

As a result of the project interventions in 2020, over **82 people** got access to income-generating opportunities, out of which **64 were women**. Local livelihoods were strengthened for **16,202 people, (8,993 of which were women)** through increased access to elite and super-elite crop seeds and agricultural machinery, expansion of arable lands, provision of energy-efficient street lighting, and improved hygiene conditions for school feeding.

13,430 people reported increased economic activity through the project introduced local production and processing schemes and rehabilitated infrastructure. The consolidated community of Chambarak benefited from the creation of the Ambar foundation, ensuring food security was risked by the double crises of the Covid-19 pandemic and increased security risks around Nagorno Karabakh.

The provision of **250 energy-efficient** street lighting luminaries for a total length of 7km in the Gegharkunik region (Chambarak, TtuJur, Vahan), enhanced the security and quality of life for a **total of 14,491 people (8,126 women)**.

Renovation of 6 school canteens (Martiros, Bardzruni, Khachik in Vayots Dzor region and Tretuk, Kakhakn, and Shatvan villages in Gegharkunik region) in cooperation with WFP, will provide better nutrition and hygiene conditions for **up to 500 schoolchildren**.

The project has institutionalized an **innovative community development model** to facilitate sustainable grain production and processing and ensure food security for the most vulnerable bordering communities. It envisages creating an eCommerce platform and logistic infrastructure to provide better opportunities for local producers for the commercial realization of their products and market outreach. This will ensure the development of the whole value chain of wheat production. The project also provided access to training and capacity building in agro-production and innovative agro-technologies to over 50 participants (90% of which are women).

Activity/Output	Expected Annual Targets/Indicators							
	Activities	Planned 2020-22	Target reached 2020	Planned 2021	Actual Reporting period 2021	Target reached	Total target reached	Annual budget 2021
1. Fostered local participation in development planning and monitoring for bottom-up community development.	1. # of women, men, report increased participation in local decision-making regarding community development	3400	191	1,300	-	0%	6%	
	1.1 # community meetings held by the Project	170	69	65	10	15%	46%	
	1.2 # of integrated development plans for the settlements	34	20	13	2	15%	65%	
	1.3 # of local monitors identified and trained	24	3	10	-	0%	13%	
Total								\$ 59,076.00
2. Increased economic activity in the settlements through efficient local production and processing.	2.# of women, men report the increased economic activity through the project introduced local production and processing schemes and rehabilitated infrastructure.	31,670.00	13,430.00	12,360	17,364	140%	97%	
	2.1 # of producing/processing entities (including non-formal groups, cooperatives, community development funds) created and supported by the Project.	40	5	20	6	30%	28%	
	2.2. # of training/consulting sessions held for the producers and processors	15	2	5	5	100%	47%	
	2.3 # of producers and processors with access to capacity building and consulting. Disaggregated by sex	200	48	90	25	28%	37%	
	2.4 Units of machinery, equipment, and other production inputs (for agricultural and non-agricultural production and processing) transferred to the settlements, producing and processing groups	78	6	38	133	350%	178%	

	and individual entrepreneurs							
	2.5 # of renovated infrastructure (including school cafeteria, collection center, demo school, irrigation, etc.)	38	7	18	62	344%	182%	
	2.6 # of people with access to improved infrastructure with the support of the project, disaggregated by sex.	17,000.00	12,811.00	8,400	15,032	179%	164%	
	2.7 # of new jobs and other livelihoods generated, disaggregated by sex.							
	a) New jobs created for women	a) 110	73	90	86	96%	145%	
	b) New jobs created for men	b) 90	9	90	23	26%	36%	
	c) Additional females benefiting from strengthened livelihoods	c) 9000	173	8400	8771	104%	99%	
	d) Additional males benefiting from strengthened livelihoods	d) 8000	154	8400	8150	97%	104%	
Total								\$817,020.00
3. Develop and pilot innovative tech solutions for improved production and management	3. # of women, men benefiting from new/improved production and management mechanisms introduced	TBC	0	TBC	TBC	TBC	0	
	3.1 New/innovative tech solutions developed and piloted locally	3	0	3	-	-	-	
	3.2 # of hackathons organized	4	0	2	-	-	-	
	3.3 # of Acceleration programmes implemented	2	0	1	-	-	-	
Total								\$190,243.00

Component 1: Fostered local participation in development planning and monitoring for bottom-up community development.

2021

In the reporting period, the project has continued field visits and local consultations, nonetheless its frequency was impacted by security risks of potential spillover of NK crisis to the project target settlements.

The project **initiated over 20 consultations** with regional and local administrations, **30 participatory meetings** with the local population, **20 discussions** with local institutions and scientific centers (Darani Research center for Vegetables and Technical Crops, Gyumri Selection Station, State Agrarian University, etc).

Several study visits, potential scientific disputes, and discussions were conducted with international organizations such as the National Center of grain after P.P. Lukyanenko and Vavilov Institute of Plant Industry in Russian federation) to explore scientific collaboration opportunities for revitalizing super-elite wheat breeding in Armenia to ensure Armenia's self-sufficiency in the light of double crises. **As a result, more than 30 tons of super-elite new sorts of wheat seeds** were imported to test and localize for Armenia.

In the framework of the regional project “Knowledge Management and Capacity Building in Russia-UNDP Partnership” aiming a closer collaboration of Russia and UNDP for “leveraging the knowledge, experience, and expertise in development cooperation, including by involving individual experts from the Russian Federation by UNDP’s applicable regulations and rules, and policies and procedures”, the project has engaged an expert to pilot an integrated community development plan for Chambarak community that will allow having strategic socio-economic development concept for the community with 12,443 population.

The project continued training sessions for the beneficiaries of “Start Me Up” and “My village” competitions. The training series aimed to strengthen stakeholders’ business knowledge to support them further enhancing their sustainable business strategies and plans. According to the survey conducted after the training, the **vast majority of stakeholders** were satisfied with the training and find them effective. **31%** of the stakeholders mentioned that, as a result of the training, they managed to do customers’ segmentation, whereas, **24%** of them reconsidered their marketing strategy.

2020

The Project managed to successfully launch community consultations despite the restrictions on movement imposed due to the Covid-19 outbreak. To ensure a bottom-up approach and asset-based community development, the Project engaged 91 diverse stakeholders from local and regional administrations, Civil Society Organizations, International organizations, as well as school principals and local youth to voice their needs and opinions. During the consultations the Project has engaged the following stakeholders:
 36 representatives of local and regional administration, including 34 Community Heads and 2 governors (Gegharkunik and Vayots Dzor);
 20 active community members including NGO representatives;
 15 school principals
 20 youth representatives participated in the essay competition “Let's make the community sustainable”

The project has identified and engaged three (3) local monitors from the target communities for ongoing monitoring of regional dynamics and project synergy. It is envisaged to establish two regional coordination centers in Gegharkunik and Vayots Dzor regions under the Governor’s office.

As a result of these consultations the Annual Work Plan of the Project was developed, which centers on the following pillars:

- Ensuring Food Security
- Providing support to SMEs
- Infrastructure Rehabilitation
- Supporting state-financed programs

Component 2: Increased economic activity in the settlements through efficient local production and processing

ENSURING FOOD SECURITY:

2021

In the reporting period, the project has initiated robust outreach to seed national cultivation and breeding stations to enhance the sustainability and self-sufficiency of the regional future food reserve centers as the main precondition for providing food security to the rural communities. The project has piloted several new approaches to involve community members with their lands for seed production to tap into more arable lands, as those are being limited in the target settlements because of security concerns. Over 12 farmers got access to elite potato seeds in the Chambarak community (Gegharkunik region.) This intervention allowed to strengthen livelihoods for 60 people and contribute to food security for the Chambarak community with a 12,443 population.

In the reporting period, the project continued the **inter-community cooperation** with Lori (Tashir community) and Shirak regions (Gyumri Selection Station) for breeding super-elite and elite seeds wheat and legumes to ensure food security for the target regions. result of this intervention, we received back 6 tons of elite barley, 7 first reproduction peas, 1 ton of first reproduction lentil, and 17 super-elite wheat. The model of seed revolving fund has been initiated for the first time which entails the provision of seeds to that will, in turn, ensure 1,5 times more return. 50 tons of potato have been provided within the scope of the seed revolving initiative that is supposed to return 75 tons of seeds.



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To revitalize original seed development in Armenia, which according to many rigorous research studies, proved to be one of the most efficient ways of ensuring food security in regions, the project partnered with **the All-Russian Research Institute of Plant Industry (Vavilov) and Krasnodar Research Institute of Agriculture named after P. Lukyanenk** for consultation and future cooperation to further contribute to the food security in the targeted communities. The Project has decided to localize over 50 new varieties of wheat seeds as well as triticale seeds, which are an innovative hybrid of wheat and rye and adaptive in highlands, less water-consuming, and can yield to 2 harvests annually. In this way, the project creates and will further nourish and promote dialogue and close cooperation between the breeding stations and Russian experts. In the long run, the project is in pursuit of creating scientific centers that will have the capacity to conduct proper research, examine and identify ways and mechanisms for starting a local reproduction of new types of seeds in Armenia that have previously been unknown here. This initiative guarantees to have a positive spillover effect on the economy.

After the technical examination of existing agro machinery in the bordering settlements, the project prioritized **20 agro pieces of machinery** in the Gegharkunik region (Arpunk, Ttujur, Kakhakn, Cambarak) and Vayots Dzor regions (Yelpin, Zaritap) that need to be renovated urgently to be utilized. That agro equipment represents the machinery pool of the bordering communities, therefore will strengthen the self-sufficiency of the agro machinery in the areas. In addition, 7 pieces of agro machinery have been acquired be provided to the Chambarak community to support the smooth continuation of their agro productions.



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2020

The project's observations proved that country's wheat reserve heavily depends on imports which put food security at high risk. To minimize the bargaining power of external sources and strengthen the country's self-sufficiency, the project defined wheat production, and processing in the regions as one of the priority directions to follow. It will allow to foster agricultural sector and strengthen the food security of the target settlements, especially in emergencies. As a holistic solution, the project established a pilot model of **an innovative community development fund Ambar** in Chambarak consolidated community in Gegharkunik region, focusing on the development of the whole value chain of crop production and processing, starting from the creation of seed reserve banks up to the formation of processing infrastructure, eCommerce platforms and logistics centers for the cost-effective and de-centralized realization of local products. The governing body (Board of Trustees) of the Fund consists of 11 members: consolidating five (5) stakeholders from local and regional administrations and UNDP, as well as engaging six (6) community members from those settlements of Chambarak consolidated community that is in the scope of the Project (Ttujur, Vahan, and Chambarak) **with overall 36% of female representation**.

SME SUPPORT

2021

At the beginning of 2021, the project launched three new initiatives "Start Me Up", "My Village" and "Together", designed to support SMEs.

The project was in pursuit of creating new job opportunities through establishing new or strengthening capacities of existing SME's operating in the bordering communities and focusing on:

"Start Me Up" - non-agricultural sector

"My Village" - agricultural sector

"Together"- building smart cattle houses

As a result of open call, the project received over three hundred applications. Evaluation Committee as well as several face-to-meetings conducted by the project revealed six beneficiaries (2 which are female) from the Gegharkunik and Vayots Dzor with fundable ideas for financial and technical support. The established businesses created up to 13 new job opportunities tackled such issues in communities as access to quality education for the children with development impairment, cheese production, dry fruits and jams production, freshly baked bread,



face of regions and etc.



In order to ramp up its efforts towards SME support and for building human capacity for implementing the cluster solutions to this end, two new clusters development projects "Sweet House" and "Honey Money" will pilot in 2022 focusing on fruits processing and honey production. In 2021, the project procured all the required equipment for the establishment of five "Sweet House"-es and 500 beehives.

2020

The Project has launched the Start-Me-Up initiative with a co-financing model of 70/30 and created successful partnerships with the private sector. 42 applications were received from the target settlements 30 from the Vayots Dzor region and 12 from the Gegharkunik region with 70% of female applicants. As a result of the selection process, 10 final projects were approved, four (4) of them launched with a capacity to create up to 7 employment opportunities.

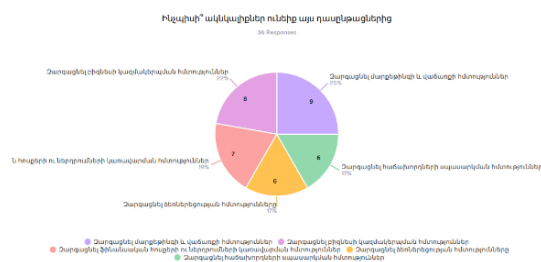
Training on the production of dried fruits was conducted for 48 participants including project beneficiaries, displaced citizens from Artsakh, and the members of the guest house association, with 90% female representation in total. This allowed enhancing the capacity of project beneficiaries focusing on dried fruit production.

The project continued training sessions for the beneficiaries of "Start Me Up" and "My village" competitions. The training series aimed to strengthen stakeholders' business knowledge to support them further enhancing their sustainable business strategies and plans. According to the survey conducted after the training, the **vast majority of stakeholders** were satisfied with the training and find them effective. **31%** of the stakeholders mentioned that, as a result of the training, they managed to do customers' segmentation, whereas, **24%** of them reconsidered their marketing strategy.

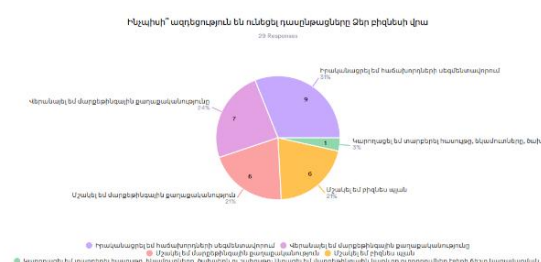


Photos from the training session organized for the beneficiaries of "Start Me Up" and "My village" competitions.

"Ձեռներեցության հնտությունների զարգացում" հետադա՛ կապ



"Ձեռներեցության հնտությունների զարգացում" հետադա՛ կապ



INFRASTRUCTURE REHABILITATION:

2021

In cooperation with WFP and SIFI, three school canteens have been renovated by the project in 2021; Areguni in the Gegharkunik region, Areni, and Kndzorut in the Vayots Dzor. As a result of these interventions over 170 students got access to better nutrition and hygiene conditions. 9 school canteens in various regions were renovated and provided with furniture, equipment, and accessories.



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920 people benefited from the installation of an irrigation system for a 45 ha plot in the Khachik settlement of the Vayots Dzor region. The project was initiated based on the request from the community. As the project observations demonstrated, 60% of the irrigation water was lost during the watering through the land. The newly built system maximizes the efficiency of the used water to 95%.



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The project has initiated a new co-financing modality (80/20%) for street lighting and as a result of the pilot intervention, 213 people benefitted from the construction of the new street lighting system in the Tretuk settlement of the Gegharkunik region.

2020

As a main green energy solution for this sub-component of the project 250 energy-saving LED street luminaires were installed in the central streets of Vahan, Ttujur, and Chambarak settlements of Chambarak consolidated community (total length of 7km) of Gegharkunik region, enhancing the security and increasing the standards of living for total 14,491 people (8,126 women).¹ In addition, it eased the financial burden of local administration through upgraded energy-efficient lighting infrastructure with saved funds for investing in the rehabilitation of community infrastructure.

In cooperation with the WFP renovation plans have been designed for 6 canteens of the local schools in the Gegharkunik region (Tretuk, Kakhakn, Shatvan settlements) and the Vayots Dzor region (Khachik, Bardzruni, Martiros settlements). As a result of the renovation of school canteens in Bardzruni and Martiros villages, 45 schoolchildren will get access to improved hygiene conditions.

As a result of the construction of a multi-purpose agricultural warehouse in Nor Arznaberd settlement of Vayots Dzor region, 122 people benefited from strengthened livelihoods.²

¹ Marzes and Yerevan city of the Republic of Armenia in figures, 2020 Statistical Committee of RA, https://armstat.am/file/article/marzer_2020_29.pdf pages 346-358

² *Ibid* page 396

SUPPORTING STATE-FINANCED PROGRAMS:

2021

To support people in rural areas to overcome the harsh consequences of the economic crisis caused by the COVID-19 and build back stronger, the government introduced financial incentives to support the sector of agriculture to develop new or strengthen existing business initiatives. A “Smart Cattle House” construction was one of the directions that the state offered for co-financing. Through this model, the state suggested 50% financial payback for the construction or reconstruction of the barn. To engage people in the bordering communities of Gegharkunik and Vayots Dzor provinces into the initiative, the project opened access to finance for 70% of the remaining 50% for the beneficiaries selected and trained by the state.

The project has initiated an independent analysis for a price calculation for the construction of smart barns according to the parameters set out by Ministry of Economy of RA. As a result, it has been revealed that the budget that is assumed to cover the expenditures according to the ministry is not sufficient enough to support over 5 stakeholders. This intervention has been paused and even though there were 5 stakeholders eager to



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take part in the project, only 1 of the 5 has completed the construction of a “smart” cattle house according to the model on his own by using old available materials, thus, as a result of the positive monitoring accomplished by the Ministry of Economy, the compensation has been completed by their side.

2020

The project has complemented the efforts of the Ministry of Economy of RA within the scope of the support program for the construction of smart barns. With a co-financing model of 70% (35% from total) the project has received 11 applications with 5 female applicants. 5 applications from the Gegharkunik region have been selected for assistance. This will yield up to 20 estimated new workplaces in the Gegharkunik region and will strengthen 105 livelihoods.

Component 3: Improved production and management through new technologies and innovation.

2021

The farm-to-table

Technology holds big potential for the development of the agricultural sector and overcoming the major challenges currently holding back the sector from development locally and globally.

The farm-to-table initiative will support strengthening the food supply chain trading companies and delivering locally grown foods to customers in different geographical areas.

Here are the potential merits of the new concept:

The new concept conspicuously depicts the origin of the product, will demonstrate how it was handled and maintained, its processing and treatment, and other crucial features. This in turn will shed light in terms of added-value and revenue distribution among the participants of the value chain.

The opportunity of providing systems that allow the participants of the value chain to achieve more transparency regarding the movement of goods. This will create entirely new opportunities for financial inclusion.

Customers who rely on local farms and gardens to fulfill their needs of daily food can take advantage of the fresh flavors that these ingredients offer. Otherwise, households need to preserve, freeze to extend the useful life of these ingredients.

Farm-to-table is an environmentally friendly model as well. Local food is not being transported to remote areas and in long distances, therefore, less fuel is consumed and fewer emissions are released. Moreover, an essential part of the Farm-To-Table concept is not only the production but also the disposal, which should be covered by the firms.

Farm-to-table business model supports many local businesses such as farmers, bakers, artists, and others who have created or grown the products.

Farm-to-table concept is a great way to educate kids on sustainability, the importance of strengthening the local economy, and the benefits of fresh food.

2020

The project has supported the development of an acceleration program management portal and collaborative space [ImpactStation](#). It was tested and piloted in the scope of the BOOST COVID-19 Acceleration program. It is envisioned to use the portal during the whole Accelerator Program from open call applications to reporting.

ImpactAIM SDG-alignment IMM toolkit has been designed and developed utilizing the best features of the market available software and building on that by intergrading Business Lean Canvas into the core to address the needs of startups specifically. The toolkit has been presented to and discussed with ImpactAIM Indonesia colleagues, project International Consultant on Impact Framework/Strategy Development, HQ colleagues, and others. All the feedback has been studied and incorporated into the Toolkit. The Toolkit has been tested and will be piloted for further rounds of Accelerator programs.

IV. GENDER MAINSTREAMING, CROSSCUTTING RESULTS, TARGETING

2021

The project has demonstrated the following results in respect of gender mainstreaming:

The Project has supported two female entrepreneurs to scale up their enterprises and develop wild fruits processing in the Gegharkunik region (Chambarak community) as well as an innovative center for children development in Vayots Dzor (Areni settlement) region.

Due to the Project interventions, 4570 women from Gegharkunik (Chambarak community, Tretuk settlement) region benefitted from strengthened livelihoods.

2020

The project has demonstrated the following results in respect of gender mainstreaming:

Overall, as a result of the Project activities in 2020, 64 full-time equivalent jobs were created for women and 8,993 women benefitted from strengthened livelihoods.

The Project has supported two female entrepreneurs to scale up their agricultural enterprises and increase the production volumes through the Start-Me-Up project as well as supported a female entrepreneur to establish a bakery in Khachik village.

The Project ensured 36% female representation in the governing body of Community Development Fund Ambar

51 women participated in local consultations in Vayots Dzor and Gegharkunik regions and voiced their needs and concerns over local development issues.

Project supported 51 women to participate in training on dried fruit production and processing.

V. RISKS AND CHALLENGES

A higher level of security risks along the borderline remains the biggest risk for the project. During 2020, the Project has faced serious bottlenecks created by the NK conflict and the risk of potential spillover to bordering communities targeted by the project. The risk remains relevant as well for in 2021, for the current reporting period. It created a delay in construction and agricultural components of the project, meanwhile revealing pocket needs such as street lighting for bordering settlements that were followed up by the project. Security risks limit the use of agricultural lands and remain one of the main risks for the project implementation.

The floating exchange rate of the Armenian Dram, as well as the frequency of rate fluctuations, imposes a risk of budget insufficiency. To tackle this issue project attempts to attract additional funds from the communities and beneficiaries, establish public-private partnerships, leveraging funds with other organizations/projects operating in the region. Particularly, the Project has successfully leveraged resources from partnerships with the private sector within the Start-Me-Up business acceleration initiative, as well as a public-private partnership within the Smart Barns subvention program supported by the RA Ministry of Economy.

Political instability in the country might affect the project implementation, that is why it is planned to review the strategies and intervention mechanism with partners to align with the current situation. Political instability and low engagement rate from target community members caused by the Nagorno-Karabakh crisis and internal political developments create additional bottlenecks for project implementation. It is planned to provide additional incentives to target community members for active involvement.

High expectations for the target communities versus the limited scope of the project are constantly targeted by ensuring communication with beneficiaries and participatory project planning.

A newly emerged **public health risk** imposed by the Covid-19 outbreak resulted in restrictions on movements and created a new risk for the project that may delay its activities. The project will follow UN DSS and RA Government instructions.

VI. PRODOC CHANGES, HORIZON SCANNING

No changes are envisioned in Prodoc.

VII. PARTNERSHIPS, COMMUNICATION, KNOWLEDGE MATERIALS

The project has successfully created and maintained a close partnership with the local administrations of the target communities, National Center of grain after P.P. Lukyanenko and Vavilov Institute of Plant Industry in Russian federation, and the regional administration of Gegharkunik and Vayots Dzor.

On the national level, the project cooperates with the Ministry of Territorial Administration and Infrastructure, which is the national implementing partner of the project and a member of the Project's Steering Committee.

Collaborating with the RA Government using the subvention mechanism offered by the latter for co-financing of the infrastructure construction and rehabilitation within the communities created a beneficial environment for the communities.

The project also sought thought leadership with the Scientific Center of Vegetable and Industrial Crops for mentoring and capacity building of the producer groups in horticulture as well as Gyumri Selection Station for creating a wheat seed bank.

The Project works closely with UNDP ImpactAim Accelerator to apply innovation to agricultural process and product improvement through technology acceleration programs using the existing tested mechanisms and the global partners' network. The partnerships network established throughout the implementation of Climate Change Technology Accelerator (financially supported by Russia-UNDP Trust Fund for Development), as well as AgriTech Incubator, is mobilized and used for the implementation of Component 3, through close cooperation with and not limited to the following institutions: Armenian National Agrarian University (ANAU); The Agribusiness Teaching Center

The project has successfully joined the efforts with WFP for school canteen renovation.

In the framework of the regional project "Knowledge Management and Capacity Building in Russia-UNDP Partnership" aiming collaboration of Russia and UNDP for "leveraging the knowledge, experience, and expertise in development cooperation, including by involving individual experts from the Russian Federation in accordance with UNDP's applicable regulations and rules, and policies and procedures", the project has engaged an expert to pilot an integrated community development plan for Chambarak community that will allow having strategic socio-economic development concept for the community with 12,443 population.

2021

Sustainable Communities Media Highlights 2021

MTAD Meeting with Gegharkunik Marzpet Link	Office Gegharkunik Marz 'Sustainable Communities' project presentation Link
Armenpress Competition announcement Link	News.am Competition announcement Link
Ministry of Economy website Competition announcement Link	Newshub Article on street lights Link
Aragatsotn Marzpet Official Facebook page Street lights coverage Link	Ministry of Economy website AgroMachine competition announcement Link
Gegharkunik MTAD website AgroMachine competition announcement Link	Shoghakat Community web page AgroMachine competition announcement Link
verelq.am 'Sustainable Communities' project presentation Link	tert.am Competition announcement Link
Regional Post Armenia 'Sustainable Communities' project presentation Link	Ararat News Competition announcement Link
EJC.am Competition announcement Link	Public TV of Armenia Project launch Link
"News article about Russian Federation projects with UNDP in Armenia" Link	Verelq.am Infrastructure competition announcement Link
Russian Embassy Infrastructure competition announcement	Public TV of Armenia news about our all project activities

Link	Link
Sputnik Armenia Cooperation with Vavilov Scientific center Link	Public TV Armenia Solar 24 news coverage Link
Public TV Armenia Solar 24 news coverage Link	Gegharkunik Marzpetaran Official Facebook Page Solar 24 news coverage Link
Gegharkunik Marzpetaran Official website Meeting with Gegharkunik Marzpet Link	Public TV of Armenia News Coverage about Business Trainings Link
1lurer.am Link	eco.am Link
Banks.am Link	ProNews.am Link



2020

Media Platform	Occasion	Link
Armenpress	News coverage about the launch of the project	https://armenpress.am/arm/news/1017520.html
Yerkir Media	News coverage about the launch of the project	https://yerkirmedia.am/hy/article/2020/06/05/10708/
Yegharkunik Marz website	News coverage about the launch of the project	http://geggharkunik.mtad.am/news/item/2020/06/03/2/
Arm Radio	News coverage about the launch of "Together" project	https://bit.ly/3gyTN9s
InterLur	News coverage about the launch of "Together" project	https://bit.ly/2QpG1LZ
Armenpress	News coverage about the launch of "Together" project	https://armenpress.am/arm/news/1025225.html
Ministry of Economy website	News coverage about the launch of "Together" project	https://mineconomy.am/page/1664
Mtad.am	News coverage about the launch of "Together" project	https://bit.ly/3aWogEN
Analitik.am	News coverage about the launch of "Together" project	https://rb.gy/gtsrcf
Mtad.am	Start-Me-Up competition announcement	http://www.mtad.am/hy/news/item/2020/07/13/mtad13.07/
Gegharkunik MTAD	Start-Me-Up competition announcement	http://geggharkunik.mtad.am/news/item/2020/07/03/2/

VIII. EVALUATIONS

No evaluation is envisaged since the project budget is below the required minimum of 3mln USD.

IX. DONOR REPORTS

The donor report for the project will be presented in January 2021.

VX. VALIDATION OF RESULTS (FIELD VISITS) AND QUALITY ASSURANCE

The project has completed its quality assurance ([Implementation \(undp.org\)](https://www.undp.org)) scheduled in 2021.

Field visit:

Purpose of the field visit: Validation of Results

Outcomes	Update on outcomes	Outputs	Update on outputs	Reasons if progress below target	Update on partnership strategies	Recommendations and proposed action

<p>UNDAF/CPD Outcome 1: By 2020, Armenia's competitiveness is improved and people, especially vulnerable groups, have greater access to sustainable economic opportunities.</p>	<p>The project has created and scaled up models of sustainable production and processing in the target communities resulting in income raise for the households in the rural areas. All the models have been to the biggest extent inclusive targeting women, the youth, and other vulnerable groups and ensuring decent jobs and comprehensive support from the stage of consulting to capacity building and provision of production means. All the project interventions contributed to obtaining social betterment in the targeted settlements and created intrinsic advantages and income-generating opportunities that are conducive to building a sound progressive culture in the rural areas.</p>	<p>Output 1.1. Local capacities strengthened to develop and implement innovative and diversified income-generating practices that are sustainable and employment and livelihood intensive targeting most vulnerable groups</p>	<p># of women, men, report increased participation in local decision-making regarding community development Target: 1300; Actual: 0 # community meetings held by the Project Target: 65; Actual: 30 # of integrated development plans for the settlements Target: 13; Actual: 2 # of women, men report increased economic activity through the project introduced local production and processing schemes and rehabilitated infrastructure.Target : 12,360; Actual: 17,364 # of producing/processing entities (including non-formal groups, cooperatives, community development funds) created and supported by the Project. Target: 20; Actual: 6 # of trainings/consulting sessions held for the producers and processors Target: 5; Actual: 5 # of producers and processors with access to capacity building and consulting. Disaggregated by sex Target: 90; Actual: 25 Units of machinery, equipment, and other production inputs (for agricultural and non-agricultural production and processing) transferred to the settlements, producing and processing groups and individual entrepreneur Target: 38; Actual: 172</p>	<p>Security risks of potential spillover of Nagorno-Karabakh conflict to project target settlements ; particularly in the bordering areas. Restrictions on movement and quarantine measures imposed due to Covid-19 pandemic</p>	<p>The project continues its close collaboration with stakeholders and partners through learning and continuous feedback.</p>	<p>The Project should focus on extensively using ICT and all the COVID safe means as well as media and social platforms to prevent the project impeding the progress toward strategic planning and for continuous need validation, stakeholder consultation, as well as engagement and inclusion in the targeted areas.</p>
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			<p># of renovated infrastructure (including school cafeteria, collection centre, demo school, irrigation etc.) Target:18; Actual: 89</p> <p># of people with access to improved infrastructure with the support of the project, disaggregated by sex. Target: 8400; Actual 15,032</p> <p># of new jobs and other livelihoods generated, disaggregated by sex. a,b,c,d a) Target:90; Actual:86 b) Target:90; Actual: 23 c) Target: 8400; Actual:8771 d) Target: 8400; Actual: 8150</p> <p># of women, men benefiting from new/improved production and management mechanisms introduced Target: TBC; Actual: TBC new/innovative tech solutions developed and piloted locally Target: 3; Actual: 0 # of hackathons organized Target: 2; Actual:0 # of Acceleration programmes implemented Target: 2; Actual: 0</p>			
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LESSONS LEARNED

A significant amount of arable lands of the target settlements couldn't be accessed for project initiatives because of the security risks created by the potential spillover of the Nagorno-Karabakh conflict to the bordering communities of the Gegharkunik region. The decision was made to set up inter-regional cooperation with the Lori and Shirak regions for the production of wheat and legumes.

As a result of the created socio-political situation caused by war, it was challenging to find suppliers and vendors in the necessary timeframe. The project has reached out to the suppliers that have demonstrated successful cooperation with the IRTD project (Integrated Rural Tourism Development.)

The morale and motivation of the target population were low to engage in project-initiated activities because of the ongoing war. It was decided to provide additional incentives for more efficient outreach and communication.

In the case of Solar24 intervention, it was revealed that the communities concurrently apply for UNDP co-financed street lighting projects and state subsidy programs. This results in overlapping efforts with state initiatives. Therefore, the project has decided to identify at earlier stages of needs assessment for this intervention, those communities who won't be applying for state subsidy programs.

Participants in the field visit

Signature 
Name ED9F82F7E3D64B7...
Designation: Anna Gyurjyan
SEG Portfolio Manager

Results Framework

Intended Outcome as stated in the UNDAF/Country Programme Results and Resource Framework:

By 2020, Armenia's competitiveness is improved and people, especially vulnerable groups, have greater access to sustainable economic opportunities.

Outcome indicators as stated in the Country Programme [or Global/Regional] Results and Resources Framework, including baseline and targets:

1.3. Poverty rate decreased

Baseline: 32 (2013)

Target: 18 (2020)

Indicator

1.4: Unemployment rates disaggregated by sex, age, and region, improved.

Baseline (2013):

Unemployment rate: 16.2

Female: 18.1; male: 14.4

Urban: 23.4; rural: 6

Youth (15-24) 33.1 (2013)

Target (2020):

Unemployment rate: 13

Female: 15; Male: 12

Urban: 19; rural: 5

Youth: 30

1.5 Income level of rural population increased. Baseline: Average monthly income per capita: AMD 41,514 (2013)

Target: 51,500 (2020)

Applicable Output(s) from the UNDP Strategic Plan: *Output 1.1. National and sub-national systems and institutions enabled to achieve structural transformation of productive capacities that are sustainable and employment - and livelihoods-intensive,*

Project title and Atlas Project Number: Fostering Participatory Development in Bordering Settlements of Gegharkunik and Vayots Dzor Regions

EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	TARGETS BY FREQUENCY OF DATA COLLECTION					DATA COLLECTION METHODS AND RISKS
			2020		2021	2022	FINAL	
			Planned	Actual				
Component 1 Fostered local participation in development planning and monitoring for bottom-up community development.	1. # of women, men, report increased participation in local decision-making regarding community development	Surveys, Monitoring reports	1300 -700 w -600m	191 -97 w -94 m	1300 -700 w -600 m	800 -500 w -300 m	3400 -1900 w -1500 m	Project monitoring
	1.1 # of community meetings held by the project	Field visit reports, Project reports, participation lists	65	69	65	40	170	Field visits and reporting
	1.2 # of integrated development plans for the settlements	Community development projects, project reports, the official website of the MTAI	13	20	13	8	34	Reporting
	1.3 # of local monitors identified and trained	Participation lists, field visit reports	10	3	10	4	24	Field visits, project records
Component 2 Increased economic activity in the settlements through efficient local production and processing.	2. # of women, men report the increased economic activity through the project introduced local production and processing schemes and rehabilitated infrastructure.	Surveys Monitoring reports	8500	13,430	14,651	14,651	14,651	Project monitoring
	2.1 # of producing/processing entities (including non-formal groups, cooperatives, community development funds) created and supported by the Project.	Field visit reports, Project reports Registration certificates	10	11	20	10	40	Field visits, interviews, surveys, project records
	2.2 # of trainings/consulting sessions held for the producers and processors	Project reports Participation lists	5	2	5	5	15	Project records
	2.3 # of producers and processors with access to capacity building and	Project reports Participation lists	20	48	90	90	200 -w 110 -m 90	Project records, field visits

	consulting. Disaggregated by sex							
	2.4 Units of machinery, equipment, and other production inputs (for agricultural and non-agricultural production and processing) transferred to the settlements, producing and processing groups and individual entrepreneurs	Transfer acts Project reports Field visit reports	10	6	38	30	At least 78 40 greenhouses 25 small scale production/processing units - seedlings for 10 ha demonstration orchards (1 ha is 1 unit) -2 units of agro machinery (i.e. combine harvester, tractor)	Project records Field visits
	2.5 # of renovated infrastructure (including school cafeteria, collection center, demo school, irrigation, etc.)	Transfer acts Project reports Field visit reports	5	7	18	15	At least 38 -10 school cafeteria -10 km drinking water lines (1km is 1 unit) -10ha of irrigation lines (1ha is 1 unit) -1 collection center - 1 construction for agro machinery pool -6 km of street lighting (1km is 1 unit)	Project records Field visits
	2.6 # of people with access to improved infrastructure with the support of the project, disaggregated by sex.	Field visit reports Project progress reports questionnaires	150	12,811 -6789 w -6022 m	8400	8450	17,000 c-w 9000 d -m 8000	Monitoring visits Surveys
	2.7 # of new jobs and other livelihoods generated, disaggregated by sex. a) New jobs created for women b) New jobs created for men c)Additional females benefiting from strengthened livelihoods	Field visit reports Project progress reports questionnaires	a) 20 b) 20 c) 150 d) 150	a),73 b) 9 c), 173 d) 154	90 8400	90 8450	a-w 110 b-m 90 c-w 9000 d -m 8000	Monitoring visits Surveys

	d)Additional males benefiting from strengthened livelihoods							
Component 3 Improved production and management through new technologies and innovation	3. # of women, men in the regions report awareness of and benefiting from new/improved production and management mechanisms introduced (new technologies, innovation)	Surveys Monitoring report	TBC	TBC	TBC	TBC	TBC	Project monitoring
	3.1. # of new/innovative tech solutions developed and piloted locally	Project reports, UNDP website	0	TBC	3	0	3	Project Progress Reports
	3.2. # of Hackathons organized	Project reports, UNDP website	2	TBC	2	0	4	Project Progress Reports, media channels
	3.3. # of Acceleration programmes implemented	Project reports, UNDP website	1	TBC	1	0	2	Project Progress Reports, media

ANNUAL/MULTIYEAR WORK PLAN AND BUDGET FROM PRODOC ³⁴

All anticipated programmatic and operational costs to support the project, including development effectiveness and implementation support arrangements, need to be identified, estimated, and full cost 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.

³ 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

⁴ Changes to a project budget affecting the scope (outputs), completion date, or total estimated project costs require a formal budget revision that must be signed by the project board. In other cases, the UNDP programme manager alone may sign the revision provided the other signatories have no objection. This procedure may be applied for example when the purpose of the revision is only to re-phase activities among years.

EXPECTED OUTPUTS	PLANNED ACTIVITIES	Planned Budget by Year			RESPONSIBLE PARTY	PLANNED BUDGET		
		Y1 Add year	Y2 Add year	Y3 Add year		Funding Source	Budget Description	Amount
Component 1: <i>Fostered local participation in development planning and monitoring for bottom-up community development</i> <i>Gender marker: GEN 2</i>	1 Activity: Launch a participatory exercise for development planning of the target border settlements.	43,200	43,200	43,200	UNDP	RUS GOV	Contractual Services/Individuals	108,000
							Travel	12,000
							Foreign Exchange Currency Loss	0
							Facilities and Administration	9,600
	1.2 Activity: Identify and form local monitoring groups for strengthened local ownership and increased accountability.	16,200	15,876	14,760	UNDP	RUS GOV	Local consultants	13,367
							Contractual Services/Companies	30,000
							Facilities and Administration	3,469
Sub-Total for Output 1							176,436	
Component 2: <i>Increased economic activity in the settlements through efficient local production and processing.</i> <i>Gender marker: GEN 2</i>	2.1 Activity: Conduct analysis for identification of production and processing opportunities in each settlement.	21,600	37,800	27,000	UNDP	RUS GOV	Local consultants	20,000
							Contractual Services/Companies	60,000
							Facilities and Administration	6,400
	2.2 Activity: Form producing and processing groups, and identify the individual producers in the target settlements.	33,480	33,480	33,480	UNDP	RUS GOV	Contractual Services/Individuals	84,000
							Travel	9,000
							Facilities and Administration	7,440
	2.3 Activity: Provide sectoral and need-based capacity-building to the producing/processing groups and individuals	6,264	60923	54,000	UNDP	RUS GOV	Local consultants	15,800
							Contractual Services/Companies	96,410
							Facilities and Administration	8,977
	2.4 Activity: Provide access to the local producers and processing entities to machinery, equipment,	216,000	243,000	216,000	UNDP	RUS GOV	Equipment and Furniture	325,000
Materials and Goods							300,000	

	and other inputs for increased agricultural (non-agricultural) production and processing.						Facilities and Administration	50,000
	2.5. : Build and renovate the community infrastructure for improved livelihoods at the local level	174,960	441,817	184,723	UNDP	RUS GOV	Local Consultants	9,000
							Contractual Services/Individuals	108,000
							Travel	9,000
							Contractual Services/Companies	524,000
							Materials and Goods	92,130
							Facilities and Administration	59,370
Sub-Total for Output 2								1,784,527
Component 3: Improved production and management through new technologies and innovation.	3.1. Activity: Develop and pilot innovative tech solutions for product and process improvement.	95,040	102,978	0	UNDP	RUS GOV	Management Cost	6,000
							Local Consultants	37,000
							Contractual Services/Individuals	75,000
							Travel	2,800
							Contractual Services/Companies	60,000
							Audio Visual&print. Pod costs	1,050
							Workshops	1,500
							Facilities and Administration	14,668
Sub-Total for Output 3								198,018
Project Implementation: 4 Activity		221,736	190,243	201,317	UNDP	RUS GOV	Programme Management Cost	45,000
							Local Consultants	4,600

						Contractual Services/individuals	312,000
						Travel	12,000
						Equipment and Travel	6,000
						Contractual Services-Companies	1,753
						Materials and Goods	15,000
						Communication and Audiovisual	17,100
						Supplies	2,253
						Rental and Maint. Premises	30,300
						Rental and Maint. of Info-Tech Eq	8,400
						Rental and Maint of other equipment	8,100
						Audit fee	10,000
						Audiovisual and Printing/Production	15,000
						Miscellaneous	45,000
						Training, Workshop, and Conferences	6,000
						Vehicles-Budget	29,361
						Facilities and Administration	45,429
						Sub-Total for Output 4	613,296
Outputs Total							2,566,924
GMS Total							205,353
TOTAL							2,772,277

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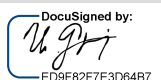
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Anna Gyurjyan
anna.gyurjyan@undp.org
Programme Analyst
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