



Food and Agriculture  
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# **Local Empowerment of Actors for Development (LEAD) in Lori and Tavush Regions Project Progress Report 2**

Reporting Period: October, 2021 – September, 2022

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## Acronyms

ADA	Austrian Development Agency
AUA	American University of Armenia
CSO	Civil Society Organization
C&V	Communication and Visibility
DOA	Description of Action
CLLD	Community-Led Local Development
EU	European Union
EUD	European Union Delegation
FFM	Fact Finding Mission
ICMPD	International Centre for Migration Policy Development
LAG	Local Action Group
LEAD	Local Empowerment of Actors for Development Programme
LEADER	Liaison Entre Actions de Développement de l'Économie Rurale
MinEcon	Ministry of Economy of the Republic of Armenia
MTAI	Ministry of Territorial Administration and Infrastructure of the Republic of Armenia
ToT	Training of Trainers
ToR	Terms of Reference
SC	Steering Committee
SSC	Strategic Steering Committee
UNDP	United Nations Development Programme
FAO	Food and Agriculture Organization of the United Nations

# 1 Executive Summary

As Armenia went through another turbulent and volatile year, both UNDP and FAO Project teams jointly continued their focused efforts for the project implementation to ensure the Project gets to its initial implementation schedule. Regular meetings with project teams as well as bilateral contacts of project experts guaranteed better coordinated work in Lori and Tavush regions.

The second year of project implementation started with planned regional launches (Annex 18) that helped to spread the project information to wider public and to prepare the potential beneficiaries to get involved in the project activities. The project teams invested considerable amount of time and effort in local animation activities and in preparing local momentum for a facilitated decision-making at the very local level. It resulted in stronger bonds in local communities across all sectors of the society and lay an excellent ground for joint discussions and local strategic planning as the basis for LAG establishment.

Both project teams continued their efforts in supporting those negatively affected from COVID and Conflict. However, as the time passes, some of the planned activities might not stay very relevant and need to be re-assessed for urgency and need.

One of the most important milestones of the project was the formal establishment of the five LAGs through signing the Partnership Agreements. The signature was accompanied with the first Fair of local produce and an international LEADER conference that brought together respected experts on LEADER and Rural Development from EU Member States. The LAG Working Group members got trained in strategic planning methods, budgeting and LEADER principles. The LAG delineation discussions helped the local beneficiaries to learn from each other and recognize and appreciate common issues and strengths that all LAG member communities share.

The beneficiaries of the projects had an opportunity to learn from the European experience of LEADER implementation first hand when they participated in the first traveling training (study visit) to Hungary organized by UNDP. All LAGs self-nominated

their candidates through very transparent and merit-based self-led process and the participants made presentations of their learning upon return from the traveling training. FAO colleagues have prepared an agriculture-specialized study visit at the beginning of October for the LAG members specifically focused on agricultural activities.

As the LAG Working Groups started working on their respective strategies, the UNDP and FAO experts focused more on their own areas of expertise to help the Working Group members on various technical aspects.

The A-DAMS system development went through a delay to ensure and re-affirm the Government's commitment to this system. While there were series of meetings and discussions on the status of the system, the Government adopted a decision on Public Administration Reform in May 2022 where it explicitly mentioned A-DAMS system as part of its important milestones to be deployed and functional by February 2023. This decision helped to get the process moving again. Syunik region government expressed an interest to pilot the system at regional level.

Both UNDP and FAO project teams continued collaboration with ADA and ICMPD colleagues in terms of information sharing and collaboration. Regular updates and participation in various project events ensured exchange of information on project progress and approaches.

Communication teams of both agencies continued to coordinate efforts for systematic project visibility. Regular social media updates and media reports as well as organized local events ensure the project progress is regularly shared with the public and beneficiaries.

## **2 Actual Results**

The results reporting based on the results framework is represented in Annex 1

### 3 Activities Implemented as per the Description of Action

<b>Outcome (Result / Objectives)</b>	<b>Mobilize, capacitate and incentivize local actors to define community needs-driven strategies in Lori and Tavush regions</b>		
<b>Output</b>	<b>1.0 Emergency response action to the socioeconomic crisis created by COVID-19 and humanitarian crisis in Armenia because of the war in Nagorno-Karabagh</b>		
<b>Activities for Output 1.0</b>			
<b>Activity number</b>	<b>ACTIVITIES</b>	<b>RESPONSIBLE AGENCY</b>	<b>Status</b>
<b>(COVID) 1.0.1</b>	Establish a support scheme through a local call soliciting proposals from individuals, SAs, informal groups, cooperatives, microenterprises and SMEs in agriproduction and agriprocessing, as well as through offering technical support and other learning and knowledge sharing opportunities.	<b>UNDP</b>	[Completed] The project provided assistance in form of equipment and consultancy advice to SMEs, individual farmers, microenterprises, etc engaged in bread and bakery production, seeing and poultry production.
<b>(COVID) 1.0.2</b>	Support building local supply chains	<b>UNDP</b>	[On hold] Once the assessment of FAO on the impacts of COVID-19 on food value chains is ready (Activity (COVID 2.0.1), the project will consider the findings of that assessment to finalize its scope of specific assistance within this activity.
<b>(Crisis) 1.0.3</b>	Support green energy solutions and energy efficiency measures for host communities	<b>UNDP</b>	[Completed] The project identified community structures where a PV installation was possible to support the community to cover the utility expenses of the Spontaneous Arrivals. The installations were completed and station was operational by December 31, 2021, awaiting the final connection to the main grid.
<b>(Crisis) 1.0.4</b>	Support community cohesion and psycho-social support	<b>UNDP</b>	[On hold] There needs to be a re-assessment with EUD on the purpose of this activity as it is no longer relevant.
<b>(COVID) 2.0.1</b>	Conduct an assessment on the impacts of COVID-19 related to the food value chain in Tavush	<b>FAO</b>	[Completed] The final report was shared with the EUD and UNDP.

	and Lori for identifying needs and targeting project support.		The result will be shared in the “Building Smallholder Farmers’ Resilience in Times of Crisis” Round Table Discussion planned in October 2022.
<b>(COVID) 2.0.2</b>	Support for overcoming negative impact of COVID-19 in communities through non-cash contributions on innovative inputs and machinery.	<b>FAO</b>	The range of meetings have taken place in 25 settlements of LAG 4 and 5 in Tavush region with active farmers and local municipalities to share the results of the COVID-19 impact assessment results and agree on the final list of the agricultural inputs and machinery. The tender was announced and the handover documents were prepared. The handover of the equipment is planned for October/November 2022.
<b>(COVID) 2.0.3</b>	Support to vulnerable beneficiaries of the “Developing Capacity for Strengthening Food Security and Nutrition in Selected Countries of the Caucasus and Central Asia” to overcome COVID crisis through non-cash grants	<b>FAO</b>	[Completed] 67 vulnerable beneficiaries from Gyulagarak, Vardablur and Pushkino received two packages of support. The package 1 was provided to 34 beneficiaries and included combined feed and hay bales for cows. In total 30,600 kg or 1,224 bags of combined feed was distributed. Each beneficiary in average received 900 kg of combined feed, minimum quantity received was 360 kg and the maximum was 1,080 kg. Within the same Package 1, 34 beneficiaries received hay for cows for a total of 4,080 pieces hay bales or about 81,600 kg or 120 hay bales/2,400kg per beneficiary. The package 2 was provided to 33 beneficiaries and included combined feed for hens, in total 16,961 kg or 678 bags, in average 514 kg per beneficiary. Minimum quantity received was 150 kg, and the maximum was 800 kg.
<b>(COVID) 2.0.4</b>	Provide necessary specialized support to building local supply chains (to support UNDP in activity 1.0.2).	<b>FAO</b>	No support was requested by UNDP.
<b>(COVID) 2.0.5</b>	Fast extension-support in agri-production.	<b>FAO</b>	The needs-based advisory has been provided by the livestock specialist to all beneficiaries of the “Developing Capacity for Strengthening Food Security and



			Nutrition in Selected Countries of the Caucasus and Central Asia” project in Lori region during the individual households’ assessment and post-distribution follow up visits to all 67 beneficiaries.
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**Detailed Activity Reporting:**

**Activity (COVID) 1.0.1: Establish a support scheme through a local call soliciting proposals from individuals, SAs, informal groups, cooperatives, microenterprises and SMEs in agriproduction and agriprocessing, as well as through offering technical support and other learning and knowledge sharing opportunities.**

UNDP continued to support the COVID and Conflict-affected population to overcome the crisis.

As part of national support schemes for supporting farmers, the Project supported the beneficiaries of the “Smart Barns” initiative to provide additional support to the beneficiaries of the state programme. Two beneficiaries of the support programme received stationary milking equipment as well as various additional tools for milk preservation.

A total of 30 sets of baking and confectionary production equipment, 6 walk-behind tractors, 10 sets of incubators and generators and 13 sewing machines were provided to beneficiaries in Lori and Tavush regions who suffered from the negative impacts of COVID and conflict in Armenia.

In addition, within the scope of COVID emergency response for the food security and livelihoods of the target communities, a hotline consultation and online seminars were organized for the farmers and agribusinesses for efficient implementation of the agricultural activities in the field of vegetable growing, as well as support of the local extension specialists with the most advanced knowledge in the field.

Overall, 78 new employment opportunities were created (41 women) and 27 (11 women-led) businesses restored their economic activity.

**Activity (COVID) 1.0.2: Support building local supply chains**

This activity is delayed and pending the results of the FAO assessment on the impacts of COVID-19 on food value chains is ready (Activity (COVID 2.0.1). The project will

consider the findings of that assessment to finalize its scope of specific assistance within this activity.

**Activity (Crisis) 1.0.3: Support green energy solutions and energy efficiency measures for host communities**

The project completed the installation of a PV system (50kW) on the community-owned and operated building (Culture House) in Ayrum community. The system is installed and is currently awaiting for the final connection to the grid. Overall, 61 beneficiaries will benefit from this intervention.

**Activity (Crisis) 1.0.4: Support community cohesion and psycho-social support**

The activity is currently on hold, awaiting a strategic decision. There have been many other organizations who provided psycho-social support in the target regions and the needs are largely covered in this field.

**Activity 2.0.1: Conduct an assessment on the impacts of COVID-19 related to the food value chain in Tavush and Lori for identifying needs and targeting project support.**

The final report was shared with the EUD and UNDP.

The result will be shared in the “Building Smallholder Farmers’ Resilience in Times of Crisis” Round Table Discussion planned in October 2022. The event’s Concept Note is attached (Annex 2).

As part of awareness raising activities and in an agreement with the Lori regional authorities to improve the cooperation with the regional municipality and other stakeholders in Lori, FAO organized on 20 July 2022 a forum of international and local organisations, implementing economic development and environmental projects in the region (Forum agenda attached to this report under Annex 3). During the forum, representatives from international and local organisations presented their current and planned activities in Lori region and discussed the future of the forum, including its frequency and scope. FAO suggested having the next forum on an annual basis in a separate sectorial format for tourism, environment, agriculture, gender and other sectors. Forum participants agreed to host future editions of the forum in their premises

and organise field visits of project areas. The regional municipality has taken the responsibility to organise the next forum with the support of the involved organisations.

**2.0.2 Activity: Support for overcoming negative impact of COVID in communities through non-cash contributions on innovative inputs and machinery.**

The COVID-19 support package for Tavush also has been finalized and the procurement of agricultural machinery (sprayers and moto blocks) for farmers from 25 villages in Berd and Ijevan areas (part of the LAG areas in Tavush) is underway. FAO has developed a handover document that would allow to regulate the usage of the assets as well as the further ownership of the equipment. Initiative groups are formed by farmers and the consolidated communities' municipalities as well as the settlements' administrative heads. The initiative groups will provide paid agricultural services by the donated equipment to the farmers from 25 LAG settlements in Ijevan and Berd. They will oversee the leasing of the assets and provide oversight for the revenues/expenditures. The fee for services that will be generated by the initiative groups will be used to cover their labor and the maintenance cost of the equipment. The members of the initiative groups will be rotated to ensure an equal participation and inclusion of the interested community members in the income generation activities.

**2.0.3 Activity: Support to vulnerable beneficiaries of the “Developing Capacity for Strengthening Food Security and Nutrition in Selected Countries of the Caucasus and Central Asia” to overcome COVID crisis through non-cash grants.**

The regional project GCP /GLO/674/RUS “Developing Capacity for Strengthening Food Security and Nutrition in Selected Countries of the Caucasus and Central Asia” was financed by the Russian Federation and implemented by FAO Armenia in 2018 and 2019. The project was built to promote coherence between social protection, food security, nutrition and agricultural interventions. The selection of the beneficiary families was done in close consultation with the Ministry of Labour and Social Affairs of Armenia, taking into consideration the poverty standards in the region. The beneficiary families, including those from Lori region, received either cattle or poultries and seedlings according to their livelihood profiles, including labour potential and ownership of specific assets. The project has benefited 133 vulnerable rural household residing in Lori (65 household) and Shirak (68 households) regions. In Lori region, FAO provided cattle to around 60 most vulnerable and poor families.

COVID-19 pandemic created financial and operational difficulties, particularly for a more vulnerable segment of rural communities, such as project's beneficiaries who are facing difficulties to keep and feed the animals received from FAO. Consequently, these families may be forced to sell their cattle, which represents a stable source of income and high nutritious food, especially for children. Thus, as COVID-19 response activity, in the framework of the LEAD project, FAO planned to support these families by supplying fodder and/or other necessary livestock-related inputs to ensure the sustainability of the 60 families, potential members of the Local Action Groups (LAGs) in Lori.

During the reporting period, the distribution of fodder and combined feed to 67 CASH + beneficiaries in the frame of the COVID-19 response was also finalized as a part of the LEAD project's deliverables.

The FAO team conducted an individual assessment of beneficiaries and developed a file for each beneficiary on the identified needs related to the provided livestock, including recommendations on the requested inputs. Based on the assessment results 2 support packages were developed and delivered to 67 vulnerable beneficiaries from Gylagarak, Vardablur and Pushkino. Package 1 was provided to 34 beneficiaries and included combined feed and hay bales for cows. In total 30,600 kg or 1224 bags of combined feed was distributed. Each beneficiary in average received 900 kg of combined feed, the minimum quantity received was 360 kg and the maximum was 1,080 kg.

Within the same Package 1, 34 beneficiaries received hay for cows, in total 4,080 pieces hay bales or about 81,600 kg or 120 hay bales/2,400kg per beneficiary. Package 2 was provided to 33 beneficiaries and included combined feed for hens, for a total of total 16,961 kg or 678 bags, and an average of 514 kg per beneficiary. Minimum quantity received was 150 kg, and the maximum was 800 kg.

#### **2.0.4 Activity: Provide necessary specialized support to building local supply chains (to support UNDP in activity 1.0.2).**

As a COVID-19 response activity, under Activity 1.0.2. UNDP is planning to build local supply chains. Under Activity 1.0.2., UNDP plans to strengthen the local collection/storage facilities and establish new centres for the production of the local safe food (incubate poultry, slaughterhouse services, processing of vegetable and fruit

surplus, etc.) and preparing local agriproducts for the market. FAO, as a specialized agriculture organization with broad experience in agriculture supply chains, will support UNDP with requested specific agriculture expertise by inviting qualified local and international experts.

During the reporting period, FAO was not approached by UNDP for any support for the activity previously mentioned.

**Activity 2.0.5: Fast extension support in agri-production**

The fast extension support was provided to all beneficiaries of the “Developing Capacity for Strengthening Food Security and Nutrition in Selected Countries of the Caucasus and Central Asia” project in Lori region during the individual assessment and post-distribution follow up visits to the project beneficiaries by the livestock specialist.

<b>Outcome 1 (Result/ Objectives)</b>	<b>Mobilize, capacitate and incentivize local actors to define community needs-driven strategies in Lori and Tavush regions</b>		
<b>Output</b>	<b>1.1 Replicable mechanism for community mobilization, engagement and animation established and operational</b>		
<b>Activities for Output 1.1</b>			
<b>Activity number</b>	<b>ACTIVITIES</b>	<b>RESPONSIBLE AGENCY</b>	<b>Status</b>
<b>1.1.3</b>	Roll out the coaching phase in the preliminary delineated territories with development experts and facilitators external to the community for local animation, partnership building and identification of potential members of LAG working groups, representing local public bodies, local businesses and the local civil society. Coaches: capacity development and strategy development experts – UNDP; agricultural expert (natural resource management/cooperation/agriculture) – FAO	<b>UNDP-FAO</b>	The coaches that have been engaged with the project in 2020 have continued their work and have supported the local animation and identification of potential LAG members throughout the year. FAO coaches also contributed to their respective field of expertise.
<b>1.1.4</b>	Mobilize LAG working groups and prepare them for membership	<b>UNDP (FAO and UNDP will jointly work on the agriculture</b>	Coaches together with project experts from UNDP and FAO worked with local communities for mobilizing the LAG working group members and preparing them for the LAG membership.

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**Activity 1.1.3: Roll out the coaching phase in the preliminary delineated territories with development experts and facilitators external to the community for local animation, partnership building and identification of potential members of LAG working groups, representing local public bodies, local businesses and the local civil society. Coaches: capacity development and strategy development experts – UNDP; agricultural expert (natural resource management/cooperation/agriculture) – FAO**

Coaches, that have been involved from last reporting period, continued to work with the local communities for community animation, local partnership building and preparing the local population for LAG membership. The Fact Finding Mission reports of the coaches created a basis for LAG delineation discussions with local population. A series of discussions and facilitated meetings during the animation period yielded the delineated and finalized LAG territories in Lori and Tavush regions as per LEADER principles. The coaches from both agencies addressed all three sectors of the population, including civil society, local businesses and public sectors. The process has been very inclusive ensuring women, youth, minorities and people with disabilities involved in the process.

**Activity 1.1.4: Mobilize LAG working groups and prepare them for membership**

The project experts together with relevant coaches organized and mobilized relevant working groups of LAGs that started working on preparing the Strategic Action Plans of the LAGs that is a part of the overall territorial strategy of the LAG. Through a series of meetings the Project experts and coaches provided capacity development for the LAG working group members on topics like defining and formulating LAG vision, mission, objectives, identifying local assets and deficiencies, financing and compliance of the Strategic Action Plans to the LEADER principles. The working group members also revised their respective partner and resource maps to better understand the local context and assets and to get acquainted with those planning tools as well. Overall, 167 people were involved in the works of the LAG Working Groups, 69 of which women.

FAO coaches and experts provided specialized support to the agricultural primary producers and relevant sectors.

<b>Outcome 1 (Result/ Objectives)</b>	<b>Mobilize, capacitate and incentivize local actors to define community needs-driven strategies in Lori and Tavush regions</b>		
<b>Output</b>	<b>1.2 Improved capacity of local actors to develop and deliver community needs-driven vision and strategy</b>		
<b>Activities for Output 1.2</b>			
<b>Activity number</b>	<b>ACTIVITIES</b>	<b>RESPONSIBLE AGENCY</b>	<b>Status</b>
<b>1.2.1</b>	Support the LAG working groups to prepare the documentation for formalization, signature of the partnership agreement and formal approval of LAG	<b>UNDP</b>	Five LAGs have been formalized, out of which, two in Lori region, two in Tavush region and one LAG encompassing both Lori and Tavush regions.
<b>1.2.2</b>	Organize study tours to EU and non-EU countries for the LAGs to learn from the experience of LAGs in other countries	<b>UNDP-FAO</b>	LAG members, coaches and experts participated in a study tour to Hungary to learn about the best experience of LAGs in Hungary.
<b>1.2.3</b>	Support the LAGs to form LAG strategic planning working groups, with voluntary membership	<b>UNDP-FAO</b>	LAG strategic planning working groups were established that focus on the territorial strategy development of the LAG
<b>1.2.4</b>	Build the capacities of the working groups in the strategic planning method	<b>UNDP</b>	Through non-formal coaching and hands-on experiences, the Project experts introduced and trained the strategic planning method to LAG working group members.

**Activity 1.2.1: Support the LAG working groups to prepare the documentation for formalization, signature of the partnership agreement and formal approval of LAG**

Based on the pre-delineation principles, the LAG members, with consultations from project experts and coaches, self-identified five LAGs: Tashir+, Lorva Dzor, GanDzor, Aghstevi Hovit and Tsili Tsov. The LAGs are a good mix of all possible pilots to assess the best model for future experience. Two of the LAGs include some settlements of the same consolidated community, another two LAGs include settlements from two or more consolidated communities, while their third type of LAG includes settlements from several consolidated communities from two neighboring regions. (Annex 4). During this process the LAG Working Group members worked intensively on developing the Strategic Action Plan of the LAG (Annex 5), decided on the name of the LAG and prepared themselves for membership and signing of Partnership Agreement, thus formalizing the LAG. As part of the process, the participating community leaders in the delineated LAG community signed a joint Statement of Intention (Annex 6) declaring their communities' intentions to establish a territorial partnership through a LAG.

Partnership Agreements (Annex 7) were signed during the first International LEADER conference in Lori and Tavush regions (Annex 8) on July 10, 2022. The signatories of the Partnership Agreement have been delegated by their LAG partners each signature representing a group of beneficiaries as delegated (Annexes 9, 10, 11, 12, 13). During the event, a number international rural development experts and national decision makers came together in Dilijan to share the best practices across Europe and the tendencies in Armenia. The event was preceded by an exhibition of local produce where the members of LAGs exhibited their products as part of a larger networking event. During the Conference, the formal signing of the Partnership Agreements took place, thus, formalizing the LAG formalization.

### **Activity 1.2.2: Organize study tours to EU and non-EU countries for the LAGs to learn from the experience of LAGs in other countries**

As part of the LAG capacity development initiatives, UNDP organized the first study visit for LAG members, coaches, experts, Marzpetaran and Ministry representatives to Hungary to learn the best practices of Hungarian LEADER experience. Amid the COVID limitations, the visit took place in two groups (Annex 14). The participation has been one of the first LAG decision making processes practiced by LAGs, as the LAGs themselves were to nominate and endorse their candidates for participation in the study visit.

The participants visited various LAG projects in Hungary, had meetings at local, regional and national level policymakers and had a chance to understand how LEADER matches the national rural development priorities, regional development strategy making and managing LAG projects. The visits received overwhelmingly positive feedback from the participants, noting that it helped them to better understand how their own LAGs can develop.

FAO organized meetings with LAG members to prepare the study tour to Austria and Slovenia for two groups (up to 20 participants) to introduce the best practice to the Armenian counterpart in the implementation of the EU rural development programmes, methodology and practices with special focus on the LEADER/CLLD implementation experience in regards to the advancement of the agricultural sector of the LAG areas (Annex 15). The study tour, to be hosted by Stefan Niedermoser, the chairman of the LEADER forum in Austria and Goran Šoster, a Co-founder of the Slovenian Rural Parliament and Co-chair of the European Rural Parliament, will include examples of local rural development strategies and projects implemented in LAG areas with a greater focus on agricultural and environmental projects.



### **Activity 1.2.3: Support the LAGs to form LAG strategic planning working groups, with voluntary membership**

The project experts both involving UNDP and FAO continued to support the LAGs and the Working Groups in developing territorial development strategies. Series of meetings and workshops have taken place in each LAG during which participants were introduced to the methods of strategic development, and all required steps. As a result, the LAG working group members development their Strategic Action Plan which is the core of the LAG strategy. A more specialized assistance is undergoing by UNDP and FAO experts to help the LAGs develop a complete strategy for each of them. All Strategic Action Plans have been approved by the LAG general meetings and the Strategies, once final, will also be discussed and approved by the LAG general meetings. Although the Partnership Agreements were signed in July, the LAG membership is an ongoing process open to anyone interested in the LAG territory, therefore, the joint efforts of UNDP, FAO experts and coaches ensures that those who are interested in LAGs and want to become LAG members, can proactively get formally engaged in LAG activities. This is especially important to keep the balance of civil society organizations, local businesses and public institutions to be equally represented in LAGs. FAO experts have specifically worked with local farmers to ensure their representation in the LAG. In fact, nearly half of business sector representatives of the LAGs are farmers and it is important to have strong representatives in LAG activities.

### **Activity 1.2.4: Build the capacities of the working groups in the strategic planning method**

As mentioned in the previous activity, the LAG strategic development group members have been closely working with Project experts and coaches in developing their LAG strategies. In order to ensure sustainability and transfer of knowledge, the UNDP and FAO experts, through their meetings, conduct on-the job mentoring to the LAG representatives. The LAG strategic development group members have been made aware of information retrieval, and the main steps of strategy development.

<b>Outcome 1 (Result/ Objectives)</b>	<b>Mobilize, capacitate and incentivize local actors to define community needs-driven strategies in Lori and Tavush regions</b>		
<b>Output</b>	<b>1.3 Community needs-driven strategies developed in an inclusive and evidence-based manner and promoted in the target regions of the Project</b>		
<b>Activities for Output 1.3</b>			
<b>Activity number</b>	<b>ACTIVITIES</b>	<b>RESPONSIBLE AGENCY</b>	<b>Status</b>
<b>1.3.1</b>	Organize participatory and facilitated working meetings in the LAG territory (facilitators should external experts who support the working group) for territory assessment, defining the LAG's mission, vision and strategic objectives, and identification of territorial needs and priorities and project ideas	<b>UNDP (FAO experts will draft the agricultural section of the strategies and participate in the sustainable agriculture-related issues in the environmental sector)</b>	LAGs have developed a Strategic Action Plans for each LAG that will be the basis of the LAG strategy and identified the main strategic priorities and timelines. The LAG strategies are currently in the process of finalization for the LAGs and will be ready within the next reporting period.
<b>1.3.2</b>	Prepare territorial development strategies (with at least a five-year vision), a two-year action plan, budget, and a communication and monitoring plan, with the participation of working groups and facilitated by the experts	<b>UNDP (FAO experts will draft the agricultural section of the strategies and participate in the sustainable agriculture-related issues in the environmental sector)</b>	LAGs have developed a Strategic Action Plans for each LAG that will be the basis of the LAG strategy and identified the main strategic priorities and timelines. The LAG Project folder has nearly 300 project ideas, but the process is ongoing and new project ideas are added as necessary. The LAG strategies are currently in the process of finalization for the LAGs and will be ready within the next reporting period.
<b>1.3.3</b>	Present and submit the planning documents for the approval of the LAG	<b>UNDP</b>	The final strategies will be discussed and agreed with each LAG once they are ready in 2023
<b>Sub-output</b>	<b>Sub-output 1.3 Agricultural section for community needs-driven strategies developed in an inclusive and evidence-based manner</b>		
<b>Activities for Sub-output 1.3</b>			
<b>Sub-activity 1.3.1</b>	Organize participatory and facilitated working meetings in the LAG territory, to assess the agricultural sector,	<b>FAO</b>	Participatory and facilitated working meetings were organised in all 5

	define the LAG strategic objectives in regard to the development of the agricultural sector, and identify the sector's priorities and Project ideas		LAG areas. More than 70 project ideas, particularly in agricultural and environmental sectors were generated from the community members to be considered for the 2-year strategic action plan and 5-year strategy development in 5 LAG areas. In total, FAO coaches organised more than 100 meetings in all 5 LAG areas with around 900 participants.
<b>Sub-activity 1.3.2</b>	Development of the sectoral analysis on agriculture for the LAG	<b>FAO</b>	A group of experts including agriculture, gender and social inclusion, environmental specialists have developed the first results of the agricultural sector assessment and recommendations for each LAG areas.
<b>Sub-activity 1.3.3</b>	Conduct local awareness-raising events (community workshops, conferences, roundtables, lectures, focus group discussions, etc.) for smallholder farmers, representatives of extension services, and groups and individuals engaged in agriculture, with the support of local authorities	<b>FAO</b>	Active community members - farmers that were interested in the project ideas and were willing to join the project activities - were invited to participate in the Working Groups to present the agricultural sector of the preliminary delineated LAG areas. 23 farmers were involved in the working group discussions on the LAG areas' priorities and issues including the agricultural sector.
<b>Sub-activity 1.3.4</b>	Based on the findings of working meetings draft inputs for the strategic plan, two-year action plan, budget, and communication and monitoring plan	<b>FAO</b>	Based on the findings of the working group meetings, as well as the based on the results of the agricultural sector assessment, 5 summary documents are prepared and are in the process of presentations to the LAG members in 5 LAG areas.

**Activity 1.3.1: Organize participatory and facilitated working meetings in the LAG territory (facilitators should external experts who support the working group) for territory assessment, defining the LAG's mission, vision and strategic objectives, and identification of territorial needs and priorities and project ideas**

Both UNDP and FAO experts have been involved with LAGs to draft and finalize their respective strategies in line with community, regional, national and other crosscutting strategies relevant to the LAG regions. For that reason, the experts regularly have held meetings with the LAG working group members to get additional information, validate

data and also work together to build local capacity for strategy development in the future. Although the Strategic Action Plans and their 2-year implementation plans have been adopted by the LAGs, the final strategies yet need to be finalized and adopted. The Project expects the strategies will be finalized in early 2023 for all LAGs for further validation, feedback and formal acceptance from the LAGs.

**Activity 1.3.2: Prepare territorial development strategies (with at least a five-year vision), a two-year action plan, budget, and a communication and monitoring plan, with the participation of working groups and facilitated by the experts**

While the final strategies are still under development involving UNDP and FAO experts jointly with LAG representatives, a folder of projects have been compiled that lay ground for LAG Strategic Action Plans to identify the strategic priorities of the LAG. The LAG project folders are living documents and the project ideas are added to the folder on ongoing basis. As the LAG membership expands thanks to the continuous work of the community coaches and LAG members in the regions, new project ideas will be added to the projects folder to reflect the new body of membership and trends of the LAG.

The LAGs also adopted the Mode of Operation (Annex 19).

**Activity 1.3.3: Present and submit the planning documents for the approval of the LAG**

Currently, the LAG strategies are in the process of development, and they will be finalized by early 2023. Once the strategies are finalized, they will be discussed with LAGs for feedback and review and after that the LAG will formally approve those strategies as their document.

**Sub-activities 1.3.1-1.3.4**

**Sub-activity 1.3.1: Organize participatory and facilitated working meetings in the LAG territory, to assess the agricultural sector, define the LAG strategic objectives in regard to the development of the agricultural sector, and identify the sector's priorities and Project ideas**

**Sub-activity 1.3.2: Development of the sectoral analysis on agriculture for the LAG**

**Sub-activity 1.3.3: Conduct local awareness-raising events (community workshops, conferences, roundtables, lectures, focus group discussions, etc.) for smallholder farmers, representatives of extension services, and groups and individuals engaged in agriculture, with the support of local authorities**

**Sub-activity 1.3.4: Based on the findings of working meetings draft inputs for the strategic plan, two-year action plan, budget, and communication and monitoring plan**

FAO organised several working meetings and focus group discussions in 5 LAG areas with various purposes: to increase awareness in the LAG areas about the project details, LAGs, LAG membership, to organise focus groups on the agricultural sector’ assessment. The meetings were organised with active farmers, women and youth groups, people with disabilities, processors, and other value chain actors, local and regional authorities. The focus group discussion were led by the FAO staff, coaches, agricultural and gender specialists. Once the preliminary results of the assessment were generated, the extensive meetings with LAG members have been organised in 5 LAGs to represent the findings and recommendations to be considered by the LAG members for the expected grant calls and strategic planning for LAG areas’ development.

In a result of extensive meetings more than 70 project ideas, particularly in the agricultural and environmental sectors were generated from the community members. The collected project ideas were shared with UNDP to be considered for the 2-year strategic action plan and 5- year strategy development in 5 LAG areas. Coaches also supported data collection for the agricultural sector assessment. In total FAO coaches organised more than 100 meetings in all 5 LAG areas with around 900 participants. Active community members - farmers that were interested in the project ideas and were willing to join the project activities were invited to participate in the Working Groups to present the agricultural sector of the preliminary delineated LAG areas. 23 farmers were involved in the Working group discussions on the LAG areas’ priorities and issues.

<b>Outcome (Result / Objectives)</b>	<b>Capacity of ministries and other relevant bodies are improved and policy mechanisms at national level are developed for the successful piloting and sustainability of the LEADER approach in Armenia (policy component)</b>		
<b>Output</b>	<b>3.1 Policy framework for overall adaptation of the LEADER approach to the territorial development strategy of Armenia</b>	<b>UNDP</b>	
<b>Activities for Output 3.1</b>			<b>Status</b>
<b>3.1.5</b>	<b>Support establishing development assistance database (DAD) – a coordination platform upon the request of the Government.</b>	<b>UNDP</b>	The Government adopted the Public Administration Reform with specific implementation schedule where A-DAMS is clearly stated as a priority with a specific date of delivery in February 2023. The contractor’s contract will be extended at no-cost bases to make sure the required works of the system will be carried out as per contract requirements.

**Activity 3.1.5: Support establishing development assistance database (DAD) – a coordination platform upon the request of the Government.**

The overall process is coordinated by the UN Resident Coordinator's office. During the project development phase there have been strong commitment from the Government to support DAD within the shortest period of time.

However, after acceptance of the first delivery, because of various reasons and structural changes in the Government and overall situation of the country, the development of the A-DAMS system slowed down. There were concerns about the commitment of the Government and there were organized several meetings with relevant stakeholders to understand and agree on the parallel steps that the Government should take to ensure the sustainability and the ownership of the system.

The Government adopted a decree on May 13, 2022 on Public Administration Reforms where A-DAMS was clearly mentioned in the implementation plan of the Reform. Since then, the contracted company, Synergy has worked with the Government to continue the development of the system that matches the needs of the Government. It is expected that the system will be finalized by February, 2023 as per Government's implementation plan. Because of the delays in the delivery of the system, there will be a need to extend the contract with Synergy (no-cost) to finish the development of the system.

Monthly management meetings were agreed to take place to make the project delivery a more streamlined process and have an opportunity to address the concerns as soon as possible.

## 4 Challenges, Mitigation Measures

The project continues to operate in an environment of continuous safety concerns in Armenia. Although the incidents that have been registered were not in the target regions of the project implementation, but the overall mood of the beneficiaries and the dynamics of the project implementation suffers from the registered incidents elsewhere. The Project team tries to adjust the expectations and the visits to the needs of the beneficiaries to ensure high participation and motivation of the local partners.

An unprecedented devaluation of EUR and USD in Armenia paired with inflation, resulted in an environment when a smaller number of goods and services could be obtained through open tenders, and the regular procurement cases usually result in higher than planned offers. This is due to various factors that the Armenian economy is facing. In order to mitigate the exchange rate fluctuations, UNDP has initiated contracting with USD equivalent amount which ensures that the project does not suffer losses due to exchange rate fluctuations too drastically. The exchange rate fluctuations will impact also the grants component, as with the same amount of EUR it is currently possible to purchase less amounts of goods or works, thus, decreasing the monetary value of the interventions in the AMD equivalent.

Considering the fact that the COVID crisis impact has been largely addressed and there are more systemic projects implemented by partner organizations and the Armenian Government, the Project requests permission to use the unutilized COVID/Crisis funds for other project purposes, more specifically, for supporting LAGs.

During the project implementation, FAO also identified the following challenges that may impact the planned implementation:

The project implementation has coincided with increased instability along the borders of Armenia. A joint meeting was organised with UNDP in September 2022 and several internal meetings were organised with the FAO country leadership to analyse the possible development scenarios and adjustments that the field work might require in case of an escalation of the conflict. It has been agreed to continue the implementation of the planned activities and monitor closely the security situation in coordination with other UN agencies.

The 3rd SCC meeting on 19 July 2022 revealed the fact that some representatives of the partner ministries and the municipalities are not fully aware about the LEADER concept and its harmonisation with the functions of the local self-government bodies in the communities. It has been decided that the three implementing agencies FAO, UNDP and ADA would intensify the advocacy and the awareness raising campaigns about the LEADER at national and regional/local levels.

For internal monitoring purposes, a project progress monitoring methodology and a respective report were produced by FAO to assess and document FAO/LEAD progress towards defined outcomes and objectives of the program outlined in the approved Results chain, to identify the strengths and weaknesses of LEAD implementation, to investigate any changes in programmatic context that may necessitate a discussion about project adaptation and learning. The methodology and the report are attached (Annexes 16, 17).



## 5 Visibility and Communication Measures

The Communication and Visibility (C&V) measures of the project were organised in synchronisation with project activities within the reporting period, adhering to the Communication and Visibility plan of the Contract: Annex VI, and following the C&V rules stipulated by the Communication and Visibility Manual for EU External Actions, the localised C&V manual for EU-funded projects in Armenia of 2019, and EU Digttool – as the approving platform of C&V products and visuals.

Throughout its activities and especially at public gatherings and events, including international study tours, the Project has widely used its branded promotional and visibility material, such as the project banners/LAG banners/rollups, one-pagers/factsheets and other similar products, bearing the EU4Armenia generic logo, followed by logos of the national partner and implementing agencies: MTAI, FAO and UNDP, alongside with LEADER logo. <http://armenianeconomy.com/topic.php?id=5329>

The Project continued using its social media accounts as the main communication channels with its stakeholders: the Facebook page (<https://www.facebook.com/EULEAD4LoriTavush>) established since March 2021 and the Twitter account (<https://twitter.com/leadloritavush>) with regular updates reflecting Project's activities, photo and video stories and available opportunities among its target groups and stakeholders. The organic followers of the FB page have doubled during the reporting period and stand over 1K, while the Twitter account followers remain relatively small, which is explained by limited usage of Twitter within the rural communities – where the main segment of SM followers of the Project are located. Besides sharing highlights on the achievements and ongoing activities of the Project through the SM accounts, a new initiative with a tagline “Local Changemakers” has been introduced aiming at presenting the partners of the Project in target communities, such as the active members of Local Action Groups with potential and demonstrated impact on their communities within the LAGs, planning to gradually shift to “Local Changemakers in Action” presenting human stories benefiting from the fundings through the LAGs as examples of sustainable and smart impact generators on rural communities.

Specific C&V actions under the Visibility and Communication Plan, (Annex IV) are presented below:

#### Output 1.0 Emergency response action to the socioeconomic crisis created by COVID-19

All beneficiaries who received sewing machines and bread and bakery production equipment within the reporting period were duly informed about the EU C&V rules, to maintain the stickers with EU logo acknowledging the support thanks to the European funding, in the framework of the “EULEAD4Lori and Tavush Regions” project.

Furthermore, social media posts were prepared and disseminated highlighting the support (e.g. success story about Nazik Sargsyan featured on UNDP’s website:

<https://www.undp.org/armenia/stories/eu%E2%80%99s-helping-hand-rural-women-%E2%80%93-nazik-sargsyan%E2%80%99s-story>), a video on the recipients of bread and bakery production posted on Project’s social media accounts:

<https://www.facebook.com/EULEAD4LoriTavush/videos/8606908876017813>, followed by a press tour with local journalists that resulted in production of a footage about the initiative, aired on the Public TV: <https://www.youtube.com/watch?v=GO4D4-CuElk>.

Part of the support under the post COVID-19 recovery to rural population within the LAGs is still ongoing (farming machinery, sewing equipment, incubators, etc.) and there will be a wide dissemination about this process and the recipients in the upcoming reporting period.

#### 1.1 Replicable mechanism for community mobilization, engagement and animation established and operational

Following the EU LEADER programme’s national launch event organised in the first reporting period, the Project has convened two additional regional launch events: in Lori and Tavush, aiming at increasing the awareness about the Project and its mission among the regional stakeholders and target communities. The launch events were disseminated by the national and local media, including the Public TV (<https://bit.ly/3vN5TVX>, <https://www.youtube.com/watch?v=vOkroDBNKMM>), ensuring high visibility for the Project (the complete media recap is presented in Annex 20 C&V\_Media Recap).

## 1.2 Improved capacity of local actors to develop and deliver community needs-driven vision and strategy

All face-to-face meetings with LAG members aimed at strategic development processes were duly disseminated through the social media accounts of the Project, highlighting the aim and objectives of the meetings, accompanied with photo illustrations.

The study visits to Hungary, Slovenia and Austria organised for policy-makers, LAG members, community leaders, coaches and project experts aiming at learning the European best practices on LEADER application both at policy level and in practice at European LAGs, where disseminated respectively on Project's social media channels and by the hosting LAGs, thus ensuring international visibility for the Project (e.g. <https://hellovelence.hu/hu/news/6/2158>, <https://www.facebook.com/volgyvidek/posts/pfbid02H5awd8CnXM2nFDHuL5pXA6847MwHTep5C8cdGQYocQAzRA8bwhNztxhzPAVCDuu3l>). Prior to the study tours, the Project produced promotional material, communication folders and booklets about the Armenian LAGs that were presented to the hosting European counterparts.

## 1.3 Community needs-driven strategies developed in an inclusive and evidence-based manner and promoted in the target regions of the Project

The newly formed five Local Action Groups (LAGs) - "Tashir+", "Lorva Dzor", "Gandzor", "Aghstevi hovit" and "Tsili Tsov" were officially inaugurated through signing of formal partnership agreements at the international conference "Partnership and Action for Rural prosperity in Armenia" organised by the Project in June 2022 in Dilijan. The event had high attendance including the national and local partners, LAG members, community leaders, international and national experts. The event was covered by the national and local media outlets (e.g. [https://youtu.be/\\_08tpzTnGDI](https://youtu.be/_08tpzTnGDI)) conveying the core message to the public on establishment of five LAGs ready to commit to the local development processes through LEADER-based strategic methodology in action.

The following C&V activities of the Project for the next reporting period will be built under the Outputs 2.1, 2.2, 2.3. and 2.4 of the Visibility and Communication Plan, (Annex IV) with concentration of raising the visibility of LAGs (branding, developing of websites, defining core messages, etc.), producing highlights, stories and videos to feature the beneficiaries of the Project, specifically spotlighting women and the youth, innovative and smart initiatives supported by the LAGs, organising events and fairs to showcase local products and services of the LAGs, etc.

Furthermore, the Project will join its efforts with the “EULEAD4Shirak Region” project to convene national advocacy on LEADER under the guidance of the EUD counterpart, aiming at ensuring high visibility on the LEADER programme among the national partners and stakeholders through underlying its significance and broad potential to support the Government’s agenda of territorial development and rural advancement.

## **6 Financial Report**

Financial report is submitted in Annex 21

## **7 Request for Payment**

Since the project has not delivered a combined 70% of funds received, the Project does not request for the next tranche payment at this stage.

Based on the current expenditure planning and forecast, it is anticipated that the Project will request the next payment in February 2023.

## **8 Workplan and Budget Forecast for the Next Reporting Period**

For the next reporting stage, the Project intends to catch up with the implementation pace. The project will specifically focus on finalizing the LAG strategies based on the SAPs and expert contribution.

The Project will also facilitate the process of identifying Accountable Bodies for each LAG to take over the administrative operations of the LAGs. A separate capacity building workshop will be organized for Accountable Body and LAG representatives to introduce the specifics of the work of the Accountable Bodies. A separate study visit to an EU country will be organized for the representatives of the Accountable Bodies to better understand the role and operational peculiarities vs. regular NGO operations.

Once the Administrative Bodies are identified, the project plans to launch the local calls for funding local initiatives (grants) by the LAGs. The LAGs will be assisted with to ensure all necessary committees are formed in a transparent way to ensure fair and transparent administration of local grants components. A needs-based capacity building will be offered to the selected start-ups as necessary. FAO expert team involvement in the analyses of the agricultural project applications. As soon as the calls for grants applications are announced, FAO will organize the provision of an expertise support to farmers in preparation of the grant applications.

The Project will help to renovate and furnish the LAG offices at the venues nominated and approved by the LAGs.

The Project will pilot a long-term/sustainability projects per each LAG that may ensure its sustainability after the Project's completion.

The Project also plans to assist the Ministry of Territorial Administration and Infrastructure to develop the new Territorial Development Strategy also considering the LEADER approach.

The next Strategic Steering Committee is planned to be held in December 2022.

FAO will initiate a discussion of the Agricultural sector assessment with LAG members in five LAG areas will be finalised by December 2022.

FAO will also finalize the study tours for two groups of LAG members to Austria and Slovenia in 2022.

As part of COVID/crisis response, FAO will finalize the preparation for a roundtable discussion on the “Building Smallholder Farmers’ Resilience in Times of Crisis” with participation of the Ministry of Economy of the RA, other local and international organisations, supporting agricultural projects in the country, as well as organize the distribution of machinery and agricultural inputs to farmers from LAG areas of Tavush region.

As part of FAO commitments, the formation of up to 5 farmers’ association under the LAG umbrellas will be accomplished.

## **9 Annexes**

Annex 1 – Results Framework Report

Annex 2 – Concept Note and Agenda\_Building Smallholder Farmers Resilience in Times of Crisis\_round table discussion

Annex 3 – Agenda\_Forum of international and local organisations in Lori

Annex 4 – LAG Missions and Info

Annex 5 – LAG SAP

Annex 6 – LAG Creation Declaration of Intention

Annex 7 – LAG Partnership Agreement

Annex 8 – AGENDA - Partnership and Action for Rural Prosperity in Armenia

Annex 9 - LAG Cooperative Delegation

Annex 10 – LAG CSO delegation

Annex 11 – LAG Farmer group delegation

Annex 12 – LAG Non Formal Group delegation

Annex 13 – LAG Community delegation

Annex 14 – LEAD Study visit agendas Hungary

Annex 15 – FAO study tour agenda in Austria and Slovenia

Annex 16 – The project progress monitoring methodology (FAO)

Annex 17 – The project progress monitoring report (FAO)

Annex 18 – Regional Launch Agenda

Annex 19 – LAG Mode of Operation

Annex 20 – Communications and Visibility Media Recap

Annex 21 – LEAD Financial Report