

**Reporting Agency: UNDP**  
**Country: Armenia**  
**MONITORING ACTION AND STANDARD PROGRESS REPORT**  
**No. and title:**

**Output: “00123014 Making Finance Work for Transformative Change in Armenia: UN-locking Finance for Armenia 2030”**

Reporting period: 01 January 2022 – 30 June 2022

## I. PURPOSE

The Project, designed jointly with UNICEF and WFP, is developed to: (i) help the Government of Armenia (GoA) create clear links between policies, planning and budgeting processes (horizontal work stream); and (ii) deploy innovative and evidence-driven mechanisms to leverage partnerships and multiple sources of finance towards three priority areas in Armenia - climate change, food security and human capital (vertical work stream).

The project goal is to accelerate the implementation of the SDGs in Armenia by 2030 through multiple sources of financing, which will be unlocked to achieve social, economic, and environmental development objectives, thus accelerating the implementation of the SDGs in Armenia by 2030.

**Duration:** July 2020 — December 2022, 30 months

**Implementing partner:** UNDP

**Responsible parties:** UN RCO, UNDP, UNICEF and WFP

## II. RESOURCES AND FINANCIAL PERFORMANCE

	Total Project Budget	Current Year (2022)			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 (%)		
UN Joint SDG Fund	549,980 USD	274,169 USD	172,425 USD	62.9%	440,085 USD	80%

## III. RESULTS, PROGRESS, INNOVATIVE AND TRANSFORMATIVE ASPECTS

### Contributing outcome/Output (UNDAF/CPD)

#### UNDP Strategic Plan Outcome 1/ Output 1.2.2

Enabling environment strengthened to expand public and private financing for the achievement of the SDGs.

#### Project progress

- The JP team has continued active collaboration and regular discussions with the main stakeholders of the project, particularly with the Ministry of Finance (MoF), Ministry of Economy (MoE), Deputy Prime Minister’s (DPM’s) office, Ministry of Environment (MoEn) and other relevant governmental

authorities in relation to the Government Programme 2022-2026, the sectorial development policies, status of the ATS 2050, associated action plans, budget programs, and their alignments with SDGs.

- The JP team of local experts has continued regular support and assistance to MoF in designing of SDG budgeting methodology as well as strengthening of Public Finance Management (PFM) system during budgeting processes, including designing MTEF methodological guidelines and aligning budget programs with SDGs and development strategies.
- The technical specifications of Donor Assistance Database (DAD) have been discussed by the stakeholders, particularly: the DPM office, UN agencies and supplier company. The prototype for DAD flows as well as the system itself were designed by the supplier company and shared with the DPM's office for their reviewing. In addition, DAD was integrated in the Public Administration Reform (PAR) and has been several times discussed in different platforms. The final review and approval are still on hold in the Government which poses significant risks to the process of the implementation of DAD.

#### **UNDAF Outcome 1 /CPD Outcome 1 (10).**

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

- The partnership with the Central Bank of Armenia (CBA) was continued in several directions, particularly in raising financial services' consumers protection instruments and increasing financial literacy levels within different groups of population. Terms of reference and architecture of e-learning platform for raising financial literacy levels in Armenia is in the development stage which is designed in close cooperation with the Central Bank's team.
- Two different studies were undertaken to design innovative and sustainable finance mechanisms and instruments which will provide access to economic opportunities and sustainable business for different groups of population.

#### **Output 1.4.**

- The JP has started dialogues with national stakeholders, UN agencies and donor partners in the scope of Integrated National Financing Framework (INFF) to clarify the intentions of

Number of new innovative financial mechanisms introduced to unlock (private) funding for SDGs.

the Government in designing of financing strategy for development policies in Armenia. The Development Finance Assessment (DFA) report was finalized in December 2021 and was shared with national stakeholders in Q1 2022. The DFA report covers the whole financial landscape of Armenia both for public and private finance flows. The final report, including the INFF roadmap is the main document to hold financing dialogues with the GoA for proceeding with the INFF and the design of a financing strategy for the country priority areas.

- Partnership with the CBA is in the process for defining and using opportunities to unlock private funding for SDGs with particular focus on green and climate finance and to raise financial literacy among different target groups of population.
- A local consultant company has finalized the feasibility study on the “Innovative Financial Instruments for SDG acceleration” relevant for Armenia, including the analysis of Armenian context, the best international practice and three concept notes for priority finance instruments. A workshop was organized for the representatives of the GoA, CBA, and the financial sector to present and discuss the deliverables of the study.

### **Sustainable Development Goals:**

1, 5, 13, 16, 17

- The JP team of experts finalized the works in the scope of SDG - Budget (mapping of budget programs vs. SDGs) and Policy-Budget (mapping of budget programs vs. development strategies, disaggregated by goals) mapping tables. This activity covers all budget programs and acting development policies as well as the Government Programme 2022-2026 as the main strategy document on sustainable development in Armenia. The National Expert on SDGs has developed the final report on assistance to the line Ministries and other governmental authorities in integrating SDGs into sectoral strategies and into 2023-2025 MTEF and annual budget documents developed.
- The JP has developed final report of findings from the study for all sectors developed on the analysis of development policies alignments with budget programs/measures and SDGs.

Several discussions, workshops and trainings were organized for the Ministries' staff.

- The JP team of experts was actively cooperating with the staff of MoF and sharing the knowledge and the databases in the scope of SDGs-policies-budget programs alignments with them to provide the future sustainability of the designed methodology and implemented activities.
- A Climate Change Financing Framework (CCFF) for Armenia was designed, including a summary of the best international experience, suggested methodology and implementation plan.
- The JP team has shared the CCFF with the MoF and MoEn for their review and discussions on the next steps. The implementation of the CCFF should be done in close cooperation with MoEn and MoF and it should be integrated in with budgeting processes and with SDGs alignments.

**Output 2.1: Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectoral targets**

**Project results  
2022**

**General information**

The triple crises of COVID-19, the escalation of the conflict in Nagorno-Karabakh (NK) during September-November 2020 and the war in Ukraine imposed major risks for Armenia which still have negative impacts on the political and economic stability of the country. These factors influence on the Government's priorities and active engagement in the JP's activities. Nevertheless, the JP team has built a strong partnership with the MoF in the context of SDG budgeting, MTEF methodological instructions and DFA which helps to implement planned activities within the scope and deadlines.

**Output 1.1. Armenia strategy document on sustainable development is developed as an integrated, gender-sensitive and equitable national SDG framework**

Armenian Transformation Strategy (ATS) was partially designed and aligned with the SDGs in the scope of the JP in 2021. The analysis and assessments have been finalized in an analytical document on strategic issues for selected three Megagoals defined in ATS. However, the status of the ATS is still unclear and the Government is mainly highlighting the Government Programme 2022-2026 as the main strategy document on sustainable development. The MoF is actively engaged in the process and currently discussions are in place with the responsible staff in the MoF regarding ATS alignments with development policies and budget programs.

**Output 1.2. PFM and Public Investment Management systems are strengthened for better measurement and increased adequacy, effectiveness, and equitability of the distribution of**

### **public resources for the realization of gender-responsive, child-sensitive and SDG-aligned policies**

- During the Q1-Q2 of 2022 the JP experts led the process of performing amendments to the budget circulars and/or MTEF/budget instructions with requirements on SDG relevance, bridging SDG targets with budget outcome frameworks, etc. including SDG/policy budget tagging and coding method/approach. Moreover, the Local PFM Expert continued leading communication with the MoF in the scope of the project and its deliverables of the support to the MoF, including communication, on-the-job support, and collaboration in PFM area.
- The JP has finalized the databases of SDGs and budget programs alignments as well as development policies and budget programs. The databases and the methodology were discussed with the Ministries and other governmental agencies during several round tables and workshops as well as a special training on SDG budgeting was organized for Ministries staff.
- In the scope of JP, the methodology for alignments of SDGs, their targets and indicators with budget program/measures was designed and the final report on assistance to line Ministries and other governmental authorities in integrating SDGs into sectoral strategies 2023-2025 MTEF and annual budget documents was developed.

### **Output 1.3. Public, private and development financing landscape, including existing flows, gaps and options, is mapped to inform the implementation of the Armenia strategy document on sustainable development (such as ATS or Government Program)**

- The final DFA report, including the INFF roadmap was shared with the main stakeholders, particularly the DPM's office and the MoF. The dialogues with different Ministries are implemented to move forward to the next INFF building block and to design the financing strategy for SDGs implementation in Armenia.
- In parallel to the DFA, an independent analysis on the international experience related to SDG finance as well as SDG finance opportunities in Armenia are undertaken by the JP with particular focus on blended finance mechanisms, catalytic investments, and impact finance.
- A local consulting company has finalized the feasibility study on "Innovative Financial Instruments for SDG acceleration" relevant for Armenia, including analysis of Armenian context and the best international practice as well as concept notes of priority finance instruments. A workshop was organized for the representatives of the GoA, CBA, and the financial sector to present and discuss the deliverables of the study.
- The technical specifications of DAD have been discussed with the main stakeholders, particularly: the DPM office and UN RCO. The prototypes and the main system of DAD were designed by the supplier company and submitted to the DPM's office. In addition, DAD was integrated in the PAR and has been several times discussed in different platforms. The process of the operationalization of DAD faces difficulties and not meeting deadlines as there are delays from the DPM's office during accepting the deliverables from the vendor company.
- In the scope of the partnership with the CBA e-learning platform is planned to be designed for sharing financial knowledge to the teachers and other interested parties. This platform is a key instrument for raising access to finance as well as the level of financial literacy for the different groups of population. The inception report and the concept note of the e-learning platform has been designed and agreed with the Central Bank. Currently the Terms of Reference of the e-learning platform architecture is in the design process in close collaboration with the UNDP's and CBA's teams.

### **Output 2.1. Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectorial targets**

## **Output 2.2. Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient and adequate public and private resources**

The CCFF for Armenia was designed and shared with the MoF and MoEn, including a summary of the best international experience and suggested methodology. In Q3-Q4 2022 the discussions with the main stakeholders, including MoF and MoEn should be initiated to agree the CCFF and to design a specific action plan for the implementation of CCFF.

Activity/Output	Expected Annual Targets/Indicators	Amount (\$)	Current Year (2022)					
			Planned				Actual	
			Q1	Q2	Q3	Q4	Status	Comments
Output 1.1: Armenia strategy document on sustainable development is developed as an integrated, gender-sensitive and equitable national SDG framework	<ul style="list-style-type: none"> <li>Indicator 1.1.1: Status of the alignments of SDGs with Armenia strategy document on sustainable development /SDG alignment, including gender and age considerations</li> </ul>	\$13,600			\$6,600	\$7,000	In progress	
	<ul style="list-style-type: none"> <li>Indicator 1.1.2: Number of harmonized sectorial strategies with /SDGs, including gender and age considerations</li> </ul>	\$3,400				\$3,400	In progress	
Output 1.2: Public finance management and Public Investment Management systems are strengthened for better measurement and increased adequacy, effectiveness and equitability of the distribution of public resources for the realization of gender-responsive, child-sensitive and SDG-aligned policies	<ul style="list-style-type: none"> <li>Indicator 1.2.1: Level of alignment of development strategies/policies/SDG policy targets/indicators with the MTEF/budget programmes</li> </ul>	\$6,992	\$6,992				Completed	
	<ul style="list-style-type: none"> <li>Indicator 1.2.2: Existence of a system to track and make allocations for specific SDG targets, including gender equality and children (SDG 1.b, 5.c and 17.14)</li> </ul>	\$9,000	\$7,500	\$1,500			Completed	
	<ul style="list-style-type: none"> <li>Indicator 1.2.3.: Number of relevant GoA staff trained on gender-responsive, child-sensitive and SDG-aligned programme-based budgeting</li> </ul>	\$13,000		\$3,000	\$5,000	\$5,000	In progress	The plan for Q1&Q2 is completed
Output 1.3: Public, private and development financing landscape, including	<ul style="list-style-type: none"> <li>Indicator 1.3.1: Overall development finance landscape for Armenia assessed as a basis for INFF</li> </ul>	\$72,400	\$4,000	\$22,800	\$22,800	\$22,800	In progress	The plan for Q1 & Q2 is completed
	<ul style="list-style-type: none"> <li>Indicator 1.3.2: Establishment of DAD</li> </ul>	\$12,028			\$6,000	\$6,028	Completed	

existing flows, gaps and options, is mapped to inform the implementation of the Armenia strategy document on sustainable development (such as ATS or Government Program)	enabling alignment between countryowned results frameworks, donor supports and SDGs. (SDG 17.15)							
Output 2.1: Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectorial targets	• Indicator 2.1.1: Number of gender-sensitive and SDG related (climate change, food security and human capital) expenditure reviews and assessments conducted	\$18,406		\$6,135	\$6,000	6,271	In progress	The plan for Q2 is completed
	• Indicator 2.1.2: Financing gaps and opportunities identified in three prioritized areas considering LNOB and gender equality principles	\$18,407	\$2,681		\$5,726	\$10,000	Completed	
Output 2.2: Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient and adequate public and private resources	• Indicator 2.2.1: Number of gender-sensitive and inclusive Financing Frameworks Developed	\$10,420	\$3,686	\$2,734	\$2,000	\$2,000	Completed	
	• Indicator 2.2.2: Number of gender-sensitive and SDG related (climate change, food security and human capital) financing options developed	\$11,000	\$5,000	\$2,000	\$2,000	\$2,000	Completed	
Project Management, M&E		\$85,516	\$21,379	\$21,379	\$21,379	\$21,379	In progress	

#### IV. GENDER MAINSTREAMING, CROSSCUTTING RESULTS, TARGETING

In the scope of SDG budgeting activity gender policies were aligned with SDG targets and indicators as well as gender policies alignments with budget programs were analyzed and included in the databases and reports. The results will help to evaluate gender policies reflection in state budget more efficiently and the gender policies financing gaps. In later phases it will be possible to define innovative finance instruments to finance gender policies gaps in Armenia.

During the analysis and assessments of selected Megagoals of Armenia Transformation Strategy gender reflections were analyzed and highlighted as one of the key cross-cutting development policies.

## V. RISKS AND CHALLENGES

- Some of the key development and sectorial strategies relevant to this JP, including the ATS have been put on hold or are pending revision to be adjusted in the rapidly changing context, including emerging social/health needs such as physio-social support and disability services and implications related to families affected by COVID-19 and military hostilities in and around Nagorno-Karabakh in 2020. It creates difficulties for designing a financing strategy in the scope of the INFF for the long-term development strategy for Armenia.
- Exchange rate fluctuations between AMD and USD (16-20% AMD revaluation) since the beginning of 2022 and the uncertainty towards their relation in the future, have affected financial allocations of the JP, somewhat diminishing the scope of envisaged support.

*Please see attached the updated Risk Log.*

## VI. PRODOC CHANGES, HORIZON SCANNING

No amendments have been done to ProDoc in Q1-Q2, 2022.

## VII. PARTNERSHIPS, COMMUNICATION, KNOWLEDGE MATERIALS

### Inter-agency cooperation:

- The Project is implemented in partnership with UNICEF and WFP, in coordination of UN RCO. Hence the synergy and the joint approach towards implementation of the activities is ensured at all stages of the Project. Equally, the Project initiates regular coordination meetings and prepares joint reports as relevant.

### Partnerships:

- The JP maintains effective and efficient partnership with the MoF and DPM's office.
- New partnership with the CBA has been established in the context of green finance and increasing access to finance for the population (FinTech, Increasing of financial literacy).
- ADB/AFD partnership has been established around CCFE.

### Visibility:

- Communication strategy of the JP is being implemented according to the action plan.

## VIII. EVALUATIONS

### Evaluation Plan

The design of the Evidence-based Final Narrative Report is planned to be implemented for the JP in Y2022.

## IX. DONOR REPORTS

Donor reports have been prepared and submitted as per donor requirement and stipulated timeline.

**Annual report and INFF survey** – were submitted on January 20, 2022 to Joint SDG fund.

**Semiannual report** – was submitted on July 22, 2022 to Joint SDG fund.

ATLAS is updated with respective data.

## X. VALIDATION OF RESULTS (FIELD VISITS) AND QUALITY ASSURANCE

Please find attached.

## XI. FUTURE ACTIONS, WORK PLAN



- **Output 1.1. Armenia strategy document on sustainable development is developed as an integrated, gender-sensitive and equitable national SDG framework**

The JP team of experts will continue technical assistance to the GoA in analyzing of strategic issues and SDGs alignments of the Government Programme and sectorial development strategies. Currently there are active discussions with the MoF on the alignments of the ATS with development policies, budget programs as well as on the design of a comprehensive approach of these alignments. In parallel, the JP will continue negotiations and discussions with the Strategy team and DPM's office on the possible cooperation and assistance in strategic planning and SDGs alignments with other strategic documents, including the ATS.

- **Output 1.2. PFM and PIM systems are strengthened for better measurement and increased adequacy, effectiveness and equitability of the distribution of public resources for the realization of gender-responsive, child-sensitive and SDG-aligned policies**

The JP will continue providing technical assistance and support to the MoF in adjusting and in practical implementation of the 2022 MTEF, budget methodological instructions and new templates, in policy-budget programs and SDG-budget program alignments in the scope of PFM Strategy as well as in capacity building in the governmental authorities for selected priority topics. The JP will continue the support to MoF in strengthening the PFM systems for better measurement and increased adequacy, effectiveness, and equitability of the distribution of public resources for the realization of gender-responsive, child-sensitive and SDG-aligned policies. In Q3 – Q4 dedicated trainings will be organized for different groups of governmental agencies specialists responsible for strategic planning and budgeting to build capacities in the Ministries for the sustainable and permanent implementation of the SDG budgeting.

- **Output 1.3. Public, private and development financing landscape, including existing flows, gaps and options, is mapped to inform the implementation of the Armenia strategy document on sustainable development (such as ATS or Government Program)**

- The DFA report and INFF roadmap will be launched and presented to the GoA, Ministries, UN CT and donor organizations Later financial dialogues will be implemented during 2022 and in parallel the financing strategy of the SDGs implementation will be designed by the JP in close collaboration with MOF and DPM's office.
- Based on the feasibility study on innovative finance instruments new concepts will be designed and initiated for the deployment of innovative and evidence-driven mechanisms to leverage partnerships and multiple sources of development finance to bridge investment gaps.
- The partnership with the CBA will be enlarged with particular focus on increasing access to finance for population and SME-s by using FinTech solutions and by raising financial literacy. Based on the Concept note on e-learning platform technical requirements, including platform architecture, security measures and other specifications will be finalized on e-learning platform for raising financial literacy in partnership with the CBA.
- New proposals on blended finance vehicles and innovative finance instruments will be designed for new funding opportunities in Q3 and Q4.
- Technical assistance will be provided upon the request from the DPM's office during the operationalizing of DAD.

- **Output 2.1. Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectorial targets**

- **Output 2.2. Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient and adequate public and private resources**
- Round table discussions will be held with the governmental stakeholders on the institutional implementation of CCF

## Annual Work Plan for 2022

Activities	2022												Y2022 Budget
	QI			QII			QIII			QIV			
	1	2	3	4	5	6	7	8	9	10	11	12	
<b>Outcome 1. Armenia strategy document on sustainable development (such as the ATS or a Government Programme) is anchored in an SDG-aligned, integrated, gender-sensitive and equitable financing framework</b>													
<b>Output 1.1. Armenia strategy document on sustainable development is developed as an integrated, gender-sensitive and equitable national SDG framework</b>													
<b>1.1.1</b>	<b>Status of the alignments of SDGs with Armenia strategy document on sustainable development/SDG alignment, including gender and age considerations</b>												<b>\$ 13,600.00</b>
	<i>Negotiations with DPM's office and PM office (Strategy team) on the alignments between main strategy document on sustainable development and SDGs</i>												
	<i>Individual experts involvement on ATS or Government Programme alignments with SDGs targets and indicators</i>												
	<i>Technical assistance for development strategies assessment and analysis, recommendations for improvement</i>												
<b>1.1.2</b>	<b>Number of harmonized sectorial strategies with /SDGs, including gender and age considerations</b>												<b>\$ 3,400.00</b>
	<i>Support to climate change policy design in the scope of climate change finance and SDGs framework</i>												
	<i>Harmonization of climate change policy with SDGs, including gender and age consideration</i>												
<b>Output 1.2 Public finance management and Public Investment Management systems are strengthened for better measurement and increased adequacy, effectiveness and equity of the distribution of public resources for the realisation of gender-responsive, child-sensitive and SDG-aligned policies</b>													
<b>1.2.1</b>	<b>Level of alignment of development strategies/policies /SDG policy targets/indicators with the MTEF/budget programmes</b>												<b>\$ 28,992.00</b>
	<i>Development policies alignments with SDGs targets and indicators (local consultancy)</i>												
	<i>Budget programs alignments with SDG targets and indicators (local consultancy)</i>												
	<i>Development policies alignments with budget programs (local consultancy)</i>												
<b>1.2.2</b>	<b>Existence of a system to track and make allocations for specific SDG targets, including gender equality and children (SDG 1.b, 5.c and 17.14)</b>												

	<i>Design of a tool for budget programs alignments with SDG targets and indicators (local consultancy)</i>																				
<b>1.2.3</b>	<b>Number of relevant GoA staff trained on gender-responsive, child-sensitive and SDG-aligned programme-based budgeting</b>																				
	<i>Organizing seminars, trainings, workshops, round tables on SDG budgeting</i>																				
<b>Output 1.3 Public, private and development financing landscape, including existing flows, gaps and options, is mapped to inform the implementation of the Armenia strategy document on sustainable development (such as ATS or Government Program)</b>																			<b>\$ 72,400.00</b>		
<b>1.3.1</b>	<b>Overall development finance landscape for Armenia assessed as a basis for INFF</b>																				
	<i>Research on innovative financial instruments (veteran bonds, social impact bonds)</i>																				
	<i>International and local experts recruitment for the financing strategy</i>																				
	<i>Design of financing strategy for development goals of Armenia (international and local consultancy)</i>																				
	<i>Formation of INFF oversight committee (design of the ToR, official communication, meetings)</i>																				
	<i>Local expert recruitment for SDG investors map improvement</i>																				
	<i>SDG investors map improvement</i>																				
	<i>E-learning platform architecture design</i>																				
	<i>E-learning platform development (tentative as it depends on Ministry of Education)</i>																				
<b>1.3.2</b>	<b>Establishment of DAD enabling alignment between country-owned results frameworks, donor supports and SDGs. (SDG 17.15)</b>																				
	<i>Negotiations with UNRCO, DPM's office and EU4Lead project on DAD status and its implementation</i>																				
	<i>Support to DPM office in the creation of DAD (local consultancy)</i>																				
<b>Outcome 2. Public and private investment and financing options for climate change, human capital and food security are identified, enabling accelerated, evidence-based and accountable progress towards selected SDGs</b>																					
<b>2.1 Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectoral targets</b>																					
<b>2.1.1</b>	<b>Number of gender-sensitive and SDG-related (climate change, food security and human capital) expenditure reviews and assessments conducted</b>																				
	<i>Recruitment of experts for the analysis of the climate change financing landscape</i>																				
	<i>Analysis of the climate change financing landscape covering all public, private, domestic and international resources (local consultancy)</i>																				
	<i>Conducting of costing and financing gap assessment for implementing national climate change strategies/priorities and development of policy recommendations on financing mechanisms (local and international consultancy)</i>																				

<b>2.1.2</b>	<b>Financing gaps and opportunities identified in three prioritized areas considering LNOB and gender equality principles</b>																
	<i>Recruitment of experts for the feasibility study for identifying financing gaps in climate change finance</i>																
	<i>Feasibility study for identifying financing gaps and opportunities in climate change finance in Armenia (local and international consultancy)</i>																
<b>2.2 Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient and adequate public and private resources</b>																	
<b>2.2.1</b>	<b>Number of gender-sensitive and inclusive Financing Frameworks Developed</b>																
	<i>Design of climate change financing framework (CCFF) for Armenia (methodology, recommendations)</i>																
	<i>Negotiations and discussions with relevant stakeholders on CCFF Armenia (Ministries, donors, etc.)</i>																
<b>2.2.2</b>	<b>Number of gender-sensitive and SDG-related (climate change, food security and human capital) financing options developed</b>																
	<i>Implementation of the analysis of profitable areas in climate change</i>																
<b>Component 3. Project Management, M&amp;E</b>																	
3.1	Procurement/Recruitment Processes (TORs, RFQ/RFP, Evaluation, Contracting etc.)																
3.2	Communication actions implementation																
3.3	Project M&E and Reporting (Quarterly, semi-annual and annual standard project progress reports)																
3.4	Annual reporting and INFF survey																
3.5	Project Board Meeting(s)																
3.6	Project final evaluation																
																<b>Total</b>	<b>\$ 274,169.00</b>

## Results Framework<sup>1</sup>

UNDP Strategic Plan Outcome 1/ Output 1.2.2 Enabling environment strengthened to expand public and private financing for the achievement of the SDGs.													
UNDAF Outcome 1 /CPD Outcome 1 (10). By 2020, Competitiveness is improved and people, especially vulnerable groups, have greater access to sustainable economic opportunities.													
Output 1.4. Number of new innovative financial mechanisms introduced to unlock (private) funding for SDGs.													
UNDP Gender marker: GEN 2													
EXPECTED OUTPUTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)								DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 2020		Year 2 2021		Year 3 2022		FINAL		
					Planned	Actual	Planned	Actual	Planned	Actual	Planned	Actual	
<b>Output 1.1:</b> Armenia strategy document on sustainable development is developed as an integrated, gender-sensitive and equitable national SDG framework	Indicator 1.1.1: Status of the alignments of SDGs with Armenia strategy document on sustainable development /SDG alignment, including gender and age considerations	Armenia strategy document on sustainable development and results framework	N/A	2020	N/A	N/A	Draft document partially aligned with SDG-s, with gender/age considerations	Draft document partially aligned with SDG-s, with gender/age considerations	Advanced Draft aligned with SDG-s, with gender/age considerations		Advanced Draft aligned with SDG-s, with gender/age considerations	Draft document partially aligned with SDG-s, with gender/age considerations	Assessment of the Armenia strategy document on sustainable development. Risks includes delays in SDG nationalisation and ATS finalisation
	Indicator 1.1.2: Number of harmonized sectorial strategies with /SDGs, including gender and age considerations	Armenia strategy document on sustainable development and sectoral strategy documents and results frameworks	N/A	2020	1	1	1	1 (Draft Education sector development strategy targets/indicators were aligned with SDGs)	3		3	1 (Draft Education sector development strategy targets/indicators were aligned with SDGs)	Assessment of the Armenia strategy document on sustainable development and sectoral strategies Risks include delays in SDG nationalisation and ATS and sectoral strategies finalisation

<sup>1</sup> UNDP publishes its project information (indicators, baselines, targets and results) to meet the International Aid Transparency Initiative (IATI) standards. Make sure that indicators are S.M.A.R.T. (Specific, Measurable, Attainable, Relevant and Time-bound), provide accurate baselines and targets underpinned by reliable evidence and data, and avoid acronyms so that external audience clearly understand the results of the project.

<p><b>Output 1.2:</b> PFM and PIM systems are strengthened for better measurement and increased adequacy, effectiveness and equitability of the distribution of public resources for the realisation of gender-responsive, child-sensitive and SDG-aligned policies</p>	<p>Indicator 1.2.1: Level of alignment of development strategies/policies/SDG policy targets/indicators with the MTEF/budget programmes</p>	<p>MTEF, Budget Message Annex 3, expert report</p>	<p>N/A</p>	<p>2020</p>	<p>N/A</p>	<p>N/A</p>	<p>Budget programmes (2021) matched against development strategies/policies</p>	<p>Budget programmes (2021) matched against development strategies/policies</p>	<p>Development strategies/policies matched against SDG targets and indicators</p>		<p>Development strategies/policies matched against SDG targets and indicators</p>	<p>Budget programmes (2021) matched against development strategies/policies</p>	<p>Assessment of MTEF/Budget Message Annex 3. Risks include delays in SDG nationalisation and ATS and sectoral strategies finalisation</p>
	<p>Indicator 1.2.2: Existence of a system to track and make allocations for specific SDG targets, including gender equality and children (SDG 1.b, 5.c and 17.14)</p>	<p>Published budget reports by ATS/SDGs</p>	<p>The budgeting system does not include an SDG perspective and partially specifies allocations to gender equality and children in the relevant sectors and agencies</p>	<p>2020</p>	<p>The budgeting system does not include an SDG perspective and partially specifies allocations to gender equality and children in the relevant sectors and agencies</p>	<p>The budgeting system does not include an SDG perspective and partially specifies allocations to gender equality and children in the relevant sectors and agencies</p>	<p>The budgeting system does not include an SDG perspective and partially specifies allocations to gender equality and children in the relevant sectors and agencies</p>	<p>The budget methodological instructions include a requirement for SDGs alignments with budget programmes in the planning (budget submission process) stage</p>	<p>The budget methodological instructions include a requirement for SDGs alignments with budget programmes in the planning (budget submission process) stage</p>	<p>The budget methodological instructions include a requirement for identifying tagging budget new initiatives against cross-cutting policies (gender, climate)</p>		<p>The budget methodological instructions include a requirement for identifying tagging budget new initiatives against cross-cutting policies (gender, climate)</p>	<p>The budget methodological instructions include a requirement for SDGs alignments with budget programmes in the planning (budget submission process) stage</p>

	<i>Indicator 1.2.3.: Number of relevant GoA staff trained on gender-responsive, child-sensitive and SDG-aligned programme-based budgeting</i>	<i>Training materials and reports; pre- and post-training assessments</i>	<i>0, considering all three aspects (gender, age, SDGs)</i>	<i>2020</i>	<i>0, considering all three aspects (gender, age, SDGs)</i>	<i>0, considering all three aspects (gender, age, SDGs)</i>	<i>50 GoA staff</i>	<i>50 GoA staff</i>	<i>100 GoA staff</i>		<i>100 GoA staff</i>	<i>50 GoA staff</i>	<i>Online-based pre- and post-training surveys. Risks include unwillingness to partake in the surveys</i>
<b>Output 1.3:</b> <i>Public, private and development financing landscape, including existing flows, gaps and options, is mapped to inform the implementation of the ATS</i>	<i>Indicator 1.3.1: Overall development finance landscape for Armenia assessed as a basis for INFF</i>	<i>INFF roadmap, DFA report MTEF, 2023 annual budget</i>	<i>Not assessed</i>	<i>2020</i>	<i>Not assessed</i>	<i>Not assessed</i>	<i>DFA conducted</i>	<i>DFA conducted</i>	<i>INFF roadmap designed based on DFA findings</i>		<i>INFF roadmap designed based on DFA findings</i>	<i>DFA conducted</i>	<i>Assessment of conducted tasks. Risks include delays in ATS development</i>
	<i>Indicator 1.3.2: Establishment of DAD enabling alignment between country-owned results frameworks, donor supports and SDGs. (SDG 17.15)</i>	<i>Donor Assistance Database 2022 Budget Message</i>	<i>N/A</i>	<i>2020</i>	<i>N/A</i>	<i>N/A</i>	<i>The prototype of DAD is developed and presented to the GoA.</i>	<i>The prototype of DAD is developed and presented to the GoA.</i>	<i>The DAD is developed enabling SDGs tagging with donor support programmes.</i>		<i>The DAD is developed enabling SDGs tagging with donor support programmes.</i>	<i>The prototype of DAD is developed and presented to the GoA.</i>	<i>Review of DAD and 2022 Budget message. Risks include delays in SDG nationalisation and ATS and sectoral strategies finalisation</i>



<p><b>Output 2.1:</b> Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectoral targets</p>	<p>Indicator 2.1.1: Number of gender sensitive and SDG related (climate change, food security and human capital) expenditure reviews and assessments conducted</p>	0	0	2020	0	0	At least 2 gender-sensitive and SDG related expenditure reviews and contextual assessments conducted	At least 2 gender-sensitive and SDG related expenditure reviews and contextual assessments conducted. WFP completed reviews of two specific policies: The Strategy on Main Directions Ensuring Economic Development of the Agricultural Sector of Armenia for 2020-2030 and the Food Security Strategy (2019-2022)	At least 5 gender sensitive and SDG related expenditure reviews and assessments conducted		At least 5 gender sensitive and SDG related expenditure reviews and assessments conducted	At least 2 gender-sensitive and SDG related expenditure reviews and contextual assessments conducted. WFP completed reviews of two specific policies: The Strategy on Main Directions Ensuring Economic Development of the Agricultural Sector of Armenia for 2020-2030 and the Food Security Strategy (2019-2022),	Review of Climate Public Expenditure & Institutional Review, Climate Change Financing Gap Assessment
	<p>Indicator 2.1.2: Financing gaps and opportunities identified in three prioritized areas considering LNOB and gender equality principles</p>	Climate Public Expenditure & Institutional Review, Climate Change Financing Gap Assessment	No gaps nor opportunities identified	2020	No gaps nor opportunities identified	No gaps nor opportunities identified	Financing gaps and financing opportunities identified in at least 1 prioritized area considering LNOB and gender equality principles	Financing gaps and financing opportunities identified in the priority areas of Food Security and Agriculture considering LNOB and gender equality principles	Financing gaps and financing opportunities identified in 3 prioritized areas considering LNOB and gender equality principles		Financing gaps and financing opportunities identified in 3 prioritized areas considering LNOB and gender equality principles	Financing gaps and financing opportunities identified in the priority areas of Food Security and Agriculture considering LNOB and gender equality principles	Review of Climate Public Expenditure & Institutional Review, Climate Change Financing Gap Assessment

<b>Output 2.2:</b> Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient and adequate public and private resources	Indicator 2.2.1: Number of gender-sensitive and inclusive Financing Frameworks Developed	Climate Change Financial Framework	0	2020	0	0	1	1	3 gender-sensitive and inclusive pilot Financing Frameworks developed for the 2022-2024 MTEF process		3 gender-sensitive and inclusive pilot Financing Frameworks developed for the 2022-2024 MTEF process	1	Review of Climate Change Financial Framework
	Indicator 2.2.2: Number of gender-sensitive and SDG related (climate change, food security and human capital) financing options developed	Climate Change Financial Framework	0	2020	0	0	At least 1 gender-sensitive and SDG related financing option developed	At least 1 gender-sensitive and SDG related financing option developed. WFP has developed one financing mechanism, designed to provide SMEs access to finance to install solar stations. The pilot is being funded by SDG and is currently under implementation.	At least 3 gender-sensitive and SDG related financing options developed		At least 3 gender-sensitive and SDG related financing options developed	At least 1 gender-sensitive and SDG related financing option developed. WFP has developed one financing mechanism, designed to provide SMEs access to finance to install solar stations. The pilot is being funded by SDG and is currently under implementation.	Review of Climate change-related reports

**OFFLINE RISK LOG**

#		Description	Risk Category	Impact & Probability	Risk Treatment / Management Measures	Risk Owner
1		Destabilization of the socio-economic and political situation in the country, slowing down the implementation of the JP.	Contextual risk	P = 2 I = 4	The PUNOs and UNRCO will closely monitor the socio-economic and political situation in the country, maintaining neutrality and impartiality and offering to act as mediator to solve the situation. The JP is designed with strong high-level GoA ownership and buy-in and will be embedded in the UNSDCF 2021-2025. Moreover, the sequence of specific activities can be adjusted to minimize JP delays.	UNRCO: country economist babken.dergrigorian@un.org with support from UNCT, particularly UNDP, UNICEF and WFP
2		COVID-19 outbreak continuation impacting GoA planning and budgeting processes with prolonged state of emergency, resulting in boosted expenditures on health, social protection and food security to address immediate shocks	Contextual risk	P = 3 I = 3	The UNRCO will be maintain constant communication with the Commander, high-level Government officials and the PUNOs through established channels, as well as the DMCT to maintain contingency and business continuity through established procedures to ensure continuity of work and disruption. Moreover, considering that food security and human capital are key areas addressed by the JP (SDGs 1, 2, 3, 4, 5), and are areas of direct interest of the GoA's COVID-19 response, the PUNOs will work on aligning GoA priorities and decisions for short-term response with long-term and results-based programming and budgeting in those areas.	UNRCO: Partnerships and Development Finance Adviser arevik.anapioosyan@un.org with support from UNCT, particularly UNDP, UNICEF and WFP
3		Escalation of conflict in the region and other shocks disrupting JP implementation by diverting away both attention and resources	Contextual risk	P = 2 I = 5	The PUNOs together with the UNRCO will maintain contingency and business continuity plans to minimize disruption, as per agency specific guidelines, as well as through the DMCT. Moreover, UN coordination structures have been put in place to ensure alignment of response and further recovery, including development of an Inter-agency response plan together with development partners and the GoA.	UNRCO: Partnerships and Development Finance Adviser arevik.anapioosyan@un.org UNDP: Peace and Conflict advisor: naira.sultanyan@undp.org with support from UNCT, particularly UNICEF and WFP
4		Lack of funding for the successful scale-up of developed tools and methodologies as well as lack of GoA capacity and buy-in for INFF roadmap implementation	Programmatic risk	P = 3 I = 3	The JP team will work closely with the GoA and explore, forge and deepen partnerships with various stakeholders (e.g. donor community, IFIs/DFIs, private sector, diaspora, etc.) to mobilize, target and use multiple sources of public	UNDP: Team Leader for Innovation, Acceleration & SDG Finance tatevik.koloyan@undp

					and private funding for successful implementation and scale-up of all JP interventions	.org and the to be appointed JP project manager. Each PUNO will also be responsible for sector specific monitoring and reporting.
5		Government changes impacting continuity of planning and budgeting for SDGs	Programmatic risk	P = 3 I = 3	The PUNOs and the UNRCO will use structured venues for project implementation to minimize the possible negative effects of government staff changes on the pace and quality of JP implementation. These venues would include the National SDG Council, JP Steering Committee, Donor Coordination Groups and UNSDCF. Moreover, many staff will be involved in capacity development to counteract potential turnover. Regular monitoring of the situation, as well as constant communication with GoA counterparts will be pursued.	UNRCO: Partnerships and Development Finance Adviser arevik.anapiosyan@un.org , UNDP: Team Leader for Innovation, Acceleration & SDG Finance tatevik.koloyan@undp.org and the to be appointed JP project manager.
6		Uneven or a non- holistic approach to SDG prioritization/ Government policy harmonization	Programmatic risk	P = 2 I = 3	The UNRCO and PUNOs have extensively consulted with the Government, including the DPM's office and Ministries of Finance and Economy, ensuring buy-in to the policy harmonization, budgeting and prioritization process. Moreover, the National Council on Sustainable Development has been formed per UN joint suggestions, thus paving the way for full SDG nationalization. Finally, the cross-sectoral involvement of PUNOs will enable harmonization in multiple sectors, including embodiment of gender equality and other LNOB considerations.	UNRCO: Partnerships and Development Finance Adviser arevik.anapiosyan@un.org UNDP: SDG Liaison officer louise.skarvall@undp.org with support from the National SDG Task Force, particularly UNICEF and WFP
7		Low interest by donors and the private sector in SDG-aligned programming	Programmatic risk	P = 2 I = 2	The UNRCO and PUNOs will use all donor coordination venues, as well as working groups (e.g. on PFM or PAR) to exchange information and advocate for joint action for SDG-aligned budgeting and programming. Moreover, through various programmatic initiatives targeting the private sector, the JP will increase the awareness of the business opportunities that the SDGs and impact investment present, thus creating buy-in and ownership for the 2030 Agenda.	UNRCO: Partnerships and Development Finance Adviser arevik.anapiosyan@un.org UNDP: SDG Liaison officer louise.skarvall@undp.org with support from UNCT, particularly UNICEF and WFP

8		Limited availability and disaggregation of financial and budgetary data, including by gender and age	Programmatic risk	P = 2 I = 2	The PUNOs will work with the Ministry of Finance, line Ministries and the ArmStat to obtain available SDG and budgetary data, disaggregated by gender, age etc. for better and more informed SDG-alignment of budgetary programmes and sub-programmes, as well as comprehensive SDG tagging/coding. The potential lack of budgetary data will be avoided through data generation, development of innovative data collection methods, or by using assumptions and weights, wherever applicable (within acceptable error intervals).	UNDP, UNICEF and WFP, under the overall leadership of the to be appointed JP project manager and with data collection and analysis support from the Armenia national SDG Innovation Lab tigran.tshorokhyan@undp.org
9		Internal GoA resistance to adjust financial policies and procedures towards achievement of SDGs, gender equality and LNOB	Institutional risk	P = 2 I = 3	The PUNOs, under the leadership of the UNRCO, will support the GoA through the National SDG Council and line Ministries during the nationalization of the SDGs and the development of the national development and sectoral strategies to achieve full integration of the Agenda 2030 with focus on gender equality and LNOB. Existing coordination and cooperation frameworks with the highest level of the GoA, including the JP Steering Committee, will be utilized. Moreover, the PUNOs will develop SDG-aligned methodologies, tools and financial frameworks that will facilitate the process of linking policies and budgets. Capacity development and on-the-job technical assistance will be provided to involved ministries and technical staff for better ownership and more informed implementation.	UNDP: JP project manager, Ligia Ghazaryan ligia.ghazaryan@undp.org with support from UNRCO, UNCT, UNICEF and WFP
10		Varying level of knowledge and capacity to absorb SDG-aligned methodologies and approaches for gender- and child-sensitive programming and programme budgeting and planning	Institutional risk	P = 3 I = 2	The PUNOs together with the UNRCO will work closely with DPMs' office, all relevant line Ministers and other government personnel to build sufficient capacity and knowledge to successfully implement developed tools, methodologies and approaches to operationalize SDG aligned policies and budgets, with focus on gender equality and LNOB.	UNDP: JP project manager Ligia Ghazaryan ligia.ghazaryan@undp.org UNICEF: Armenuhi Hovakimyan ahovakimyan@unicef.org with support from UNRCO and WFP
11		JP implementation is delayed due to constraints with PUNOs	Institutional risk	P = 1 I = 3	UNDP, UNICEF and WFP have previously implemented joint projects and coordination structures have been designed for JP implementation, including inter-linked outputs and activities. Considering the integrated nature of the JP, the UN agencies will have a core group of focal	UNRCO: Partnerships and Development Finance Adviser arevik.anapiosyan@un.org , UNDP: Team

					points for the JP delivery, coordinated by a joint Project Coordinator to ensure linkages, synergies and timely implementation. Regular coordination and monitoring will also be undertaken by the UNRCO.	Leader for Innovation, Acceleration & SDG Finance tatevik.koloyan@undp.org and the to be appointed JP project manager
12		Financial mismanagement of the JP by UN implementing agencies or contractors leading to sub-optimal achievement of results	Fiduciary risk	P = 1 I = 3	The JP Steering Committee will regularly meet every two quarters to review the implementation of activities and management of financial expenditures. Moreover, PUNO rules and regulations will be used for contracting purposes (e.g. procurement of services and hiring of individual contractors), which go through a competitive selection process, deliverable-based payments and close monitoring and quality control. In case of transfer of funds to third parties, UN Harmonized Approach to Cash Transfers (HACT) will be used, which is complemented by a whole set of quality assurance activities, depending on transfer size.	UNRCO: Partnerships and Development Finance Adviser arevik.anapiosyan@undp.org, UNDP: Team Leader for Innovation, Acceleration & SDG Finance tatevik.koloyan@undp.org, the to be appointed JP project manager as well as UNICEF and WFP senior management, in partnership with GoA, line Ministries and partners

## Output Verification Template

### Field Visit Report Format

The content of the field visit report varies depending on the purpose of the visit. At a minimum, any field visit report must contain an analysis of the progress towards results, the production of outputs, partnerships, key challenges and proposed actions. **This format may be slightly adjusted.**

**Date of visit: 25 August 2022**

**Subject and venue of visit: “00123014 Making Finance Work for Transformative Change in Armenia: UN-locking Finance for Armenia 2030”**

**Purpose of the field visit: Quarterly validation of project results**

Outcomes	Update on Outcomes	Outputs	Update on outputs	Reasons if progress below target	Update on partnership strategies	Recommendations and proposed action
<b>OUTCOME 1.</b> Armenia strategy document on sustainable development (such as the ATS or a Government Programme) is anchored in an SDG-aligned, integrated, gender-sensitive and equitable financing framework	Active discussions and negotiations were continued with the DPM’s office, MoF, MoEn and other relevant governmental authorities in relation to the status of ATS 2050, the Government Programme 2022-2026, the sectorial strategies, associated action plans, budgets, and their alignment with SDGs.  The continuous support was provided to the MoF in the scope of PFM reform with particular focus on development policies/strategies napping and alignments with budget programs.	<b>Output 1.1.</b> Armenia strategy document on sustainable development is developed as an integrated, gender-sensitive and equitable national SDG framework	There were ongoing discussions with the Government and Ministry of Finance on defining the strategic priorities and the clarification of the methodology for the alignment of the ATS and Government Programme 2022-2026 with SDGs targets and indicators	N/A	<b>In partnership with the staff of GoA, MoF, MoE.</b>	To continue the activities in 2022 when Strategy team of PM office and MoF will have clearer understanding of the ATS status and development activities.
		<b>Output 1.2.</b> PFM and PIM systems are strengthened for better measurement and increased adequacy, effectiveness and equitability of the distribution of public resources for the realisation of gender-responsive, child-sensitive and SDG-aligned policies.	The final reports on the analysis of budget programs/measures alignments with development policies as well as SDGs targets and indicators has been finalized by the JP. <ul style="list-style-type: none"> <li>• Three capacity building workshops and 1 training with special presentations was organized with the</li> </ul>	N/A	<b>In partnership with MoF, other Ministries.</b>	To continue the support and assistance to the MoF in the scope of PFM reform activities, MTEF process and SDG budgeting. To finalize and to circulate the SDG budgeting methodology within the main stakeholders.  To implement at least 3 trainings for Ministries’ and Yerevan Municipality’s respective staff on SDG budgeting and Program Budgeting.

			<p>main Ministries and DPM's office to present the results of the analysis as well as to discuss the findings and next steps of these activities</p> <ul style="list-style-type: none"> <li>• The JP team of experts was actively cooperating with the staff of MoF and sharing the knowledge and the databases in the scope of SDGs-policies-budget programs alignments with them to provide the future sustainability of the designed methodology and implemented activities.</li> </ul>			
		<p><b>Output 1.3.</b> Public, private and development financing landscape, including existing flows, gaps and options, is mapped to inform the implementation of the Armenia strategy document on sustainable development (such as ATS or Government Program).</p>	<ul style="list-style-type: none"> <li>• The DFA report including the INFF roadmap has been finalized, including financial flows analysis, and further discussed with the main stakeholders.</li> <li>• A local consultant company has finalized the feasibility study on a profound analysis and provided summary of the best international practice of the “Innovative Financial Instruments for SDG acceleration” relevant for Armenia. A workshop was organized for the representatives of the GoA, CBA, and the financial sector to</li> </ul>	N/A	<b>In partnership with Ministries and CBA</b>	<p>To continue the discussions and collaboration with the main stakeholders on the next steps towards the INFF next building blocks, in particular designing a financing strategy, monitoring and review systems as well as governance and coordination infrastructures.</p> <p>To continue discussions with the donors, local counterparts for the implementation of the priority innovative finance instruments and tools</p> <p>To finalize the e-learning platform architecture and ToR design for raising financial literacy levels in Armenia.</p>



			<p>present and discuss the deliverables of the study.</p> <ul style="list-style-type: none"> <li>The architecture design of e-learning platform for raising financial literacy levels within population has been initiated in a close collaboration with the CBA.</li> </ul>			
<p><b>OUTCOME 2. Public and private investment and financing options for climate change, human capital and food security are identified, enabling accelerated, evidence-based and accountable progress towards selected SDGs</b></p>	<p>The negotiations with MoEn, MoF, MoE and DPM's office are in the process.</p>	<p><b>Output 2.1.</b> Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectoral targets.</p>	<ul style="list-style-type: none"> <li>Budget programs contributing to climate change policy as one of the main cross-cutting policies have been analyzed to find out the gaps between country policies and budget programs</li> </ul>	N/A	<p><b>In partnership with Ministries.</b></p>	<p>To continue the activities in close collaboration with Ministries</p>
		<p><b>Output 2.2.</b> Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient and adequate public and private resources.</p>	<ul style="list-style-type: none"> <li>The CCFF for Armenia was designed, including a summary of the best international experience and suggested methodology.</li> <li>The JP team has shared the CCFF with the MoF for their review and discussions on the next steps. The implementation of the CCFF should be done in close cooperation with MoEn, MoF and it should be integrated in with budgeting processes and with SDGs alignments.</li> </ul>	N/A	<p><b>In partnership with MoEn, MoE.</b></p>	<p>To organize round table discussions with the MoEn, MoF, DPM's office, other donors for the finalization of CCFF methodology and implementation plan.</p>

## PROJECT PERFORMANCE—IMPLEMENTATION ISSUES

List the main challenges experienced during implementation and propose a way forward.

- Dual crisis due to the Covid-19 and the escalation of the conflict in and around Nagorno-Karabakh (NK)
- Exchange rate fluctuations
- Due to changes of Government officials, there were challenges in changes in the GoA priorities and the design of the ATS and DAD implementation

Above-mentioned challenges imposed major risks and created uncertainties in the political and economic stability, public health, social protection and other development sectors of Armenia. Many of the key development and sectorial strategies relevant to this JP, including the ATS have been put on hold or are pending revisions. Some reforms, such as DAD implementation and the ATS design and discussions are still unclear. Exchange rate fluctuations had a negative impact on the JP budget which was mitigated by efficient usage of the existing funds.

## LESSONS LEARNED

Describe briefly key lessons learned during the project:

- The Project is mainly based on high-level policy decisions, which is affected significantly by the corresponding developments, including the political volatilities, changes in the Government and frequent changes in Government priorities. This impacted the process and developments in connection with the ATS and sectorial development strategies as well as SDG's nationalization and budgeting. The Project continued its consultations with the Government, DPM' offices and Ministries and consultations are followed up and addressed with the main stakeholders, by using efficient and well-built partnerships.
- Certain activities that envisaged close cooperation/coordination with the Government had to be postponed, such as the support in the scope of the ATS and DAD and the Project had to focus on such activities which had a demand from the GoA and MoF as the main stakeholders.


## Participants in the field visit:

### Project // Portfolio

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Project Coordinator

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