

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 2021 – 31 December 2021

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 (2021)			All Years Delivery as of SPR date (USD)	All Years Delivery rate as of SPR date (%)
		Annual Budget	Delivery as of SPR date (USD)	Delivery rate as of SPR date (%)		
UN Joint SDG Fund	549,980 USD	327,955 USD	261,159 USD	79.6%	275,811 USD	50.15%

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 implemented active discussions and negotiations with the Deputy Prime Minister’s (DPM’s) office, Ministry of Finance (MoF), Ministry of Environment (MoEn) and other relevant governmental authorities in relation to the status of ATS

2050, the sectoral strategies, associated action plans, budgets and their alignment with SDGs.

- Public Finance Management (PFM) system is strengthened by assisting the MoF in designing MTEF methodological guidelines and by 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 Inception Report and prototypes for DAD flows were designed by the supplier company and shared with the DPM's office for their reviewing.

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.

- Partnership with MoE was established in the scope of Public Investment Management (PIM) system for aligning public investment with SDGs.
- Partnership with the Central Bank of Armenia was established to increase financial literacy levels within different groups of population.

Output 1.4.

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

- The initial phase of Development Finance Assessment (DFA) has started in April 2021 by engagement of Lead international DFA expert and local experts. By the end of 2021 the team has completed the DFA for Armenia covering the whole financial landscape of Armenia both for public and private finance flows. In November 2021 the Lead DFA expert had a mission to Armenia for having meetings and discussions with all the stakeholders. The final report, including the INFF roadmap was finalized in Quarter 4 and will be the main document to hold financing dialogues with the Government of Armenia for proceeding with the INFF and the design of a financing strategy for the country priority areas.
- Partnership with the Central Bank of Armenia (CBA) was established to explore opportunities for unlocking private funding for SDGs and for raising financial literacy among different target groups of population.
- A local consulting company was hired in December 2021 for the implementation of a feasibility study on innovative finance instruments, including blended finance,

diaspora finance and climate finance instruments.

- A local consultant has implemented an analysis and assessments for exploring the best international experience of SDG finance and opportunities for Armenia. The final report and two concept papers were designed and submitted to the JP.

Sustainable Development Goals:

1, 5, 13, 16, 17

- PFM system is being aligned with SDGs, particularly the team of local experts has implemented a pilot exercise for SDG budgeting and tagging for Armenia by aligning development policies and SDGs targets/indicators with state budget programs in 2021. In December 2021 a capacity building workshop with special presentations was organized with the main Ministries and Deputy Prime Minister's office to present the results of the analysis as well as to discuss the findings and next steps of these activities. Partnership with MoE was established in the scope of Public Investment Management (PIM) system for aligning public investment with SDGs.
- The JP team and local PFM expert continued the collaboration with the Ministry of Finance for adjusting the 2022 MTEF and budget methodological instructions for better policy-budget alignment, introducing templates and instructions for policy-budget mapping in the MTEF (**including the alignment of budget programs with SDGs**).

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

- UNDP has started the negotiations with the Ministry of Environment for designing and implementation of climate change financing framework. This should be done in close cooperation with Ministry of Finance as well to be aligned with budgeting processes and with SDGs alignments.
- A Climate Change Financing Framework (CCFF) for Armenia was drafted, including a summary of the best international experience and suggested methodology. The activities have been started by local expert in the scope of climate change financing framework.

Project results 2021

General information

The COVID-19 crisis and the escalation of the conflict in Nagorno-Karabakh (NK) during September-November 2020 imposed major risks and had negative impacts on the political and economic stability even in the 2021. Moreover, snap parliamentary elections took place in June 2021, the process of which also triggered delays and difficulties in the project's implementation. Though the situation in the country had a negative impact on the JPs implementation in 2020, during 2021, the JP team has built a strong partnership with the Deputy Prime Minister's (DPM's) office, Ministry of Finance (MoF), Ministry of Economy (MoE) and other relevant governmental authorities in relation to the status of ATS 2050, the sectoral strategies, associated action plans and budgets as well as the ideology and benefits of DFA/INFF and its implementation process.

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 in the scope of the JP. The analysis and assessments have been finalized in a analytical document on strategic issues for selected three Megagoals defined in ATS. The final output of a database was provided in Q4 which showed the alignments between selected Megagoals and SDGs targets/indicators. The activities will continue in 2022 when Strategy team of PM office will have more clear understanding of the ATS status and development activities.

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

During 2021 technical assistance was provided to Ministry of Finance for adjusting the 2022 MTEF and budget methodological instructions for better policy-budget alignment, introducing templates and instructions for policy-budget mapping in the MTEF (including the alignment of budget programs with SDGs). In the result the templates and instructions were designed and distributed to all the Ministries and other governmental authorities.

- In the scope of the JP, technical assistance was provided during Q2-Q4 (through local experts' engagement) to review all the budget programs and to support to Ministries and governmental authorities to align the budget programs with the SDGs and their indicators. The following activities were performed:
 - A team of local experts have designed the overall concept of SDG budgeting in Armenia. Afterwards a thorough analysis and assessments were implemented in two main directions: the alignments between development policies and budget programs, the alignments between SDGs targets/indicators and budget programs. Activity outputs included specific databases and mappings which should be further developed in 2022.
 - A special webinar was organized in Q1 for all the Ministries and other governmental authorities to present the importance and the possible implementation of SDG alignments with budget programs. A capacity building workshop was organized in Q4 for Ministries and DPM's office to present the results of the analysis as well as to start discussions with the main stakeholders in the scope of SDG budgeting/tagging implementation. The meetings and discussions will continue in 2022 to receive the main stakeholders' feedback and have their active engagement in the SDG budgeting process.
 - Mapping of strategic development policies and strategies, their goals and measures, and verification of their timeliness was implemented by a local consultant. The

database including all the alignments was designed which will be finalized by March 2022.

- Study of the Government Program 2021-2026 as the main strategic development document, clarification and alignment of goals, objectives, measures and outcomes by separate sectors and directions was performed by a local consultant.

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)

In the scope of the DFA Armenia a team of international and local experts implemented a line of analysis and research on public and private finance flows to find out the development finance mechanisms and opportunities in Armenia. The DFA report was finalized in 2021, including an INFF roadmap which will serve as a key instrument for starting financing dialogues with the Government and for building a holistic financing strategy for development 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 was undertaken by local experts. The final report and two concept papers were designed and submitted to the JP.
- In December 2021 a feasibility study on innovative financing mechanisms for the SDGs in Armenia was initiated by the JP with particular focus on green, diaspora and blended finance mechanisms. The study will be implemented by a local company.
- The technical specifications of Donor Assistance Database (DAD) have been discussed with the main stakeholders, particularly: the DPM office and UN RCO. The Inception Report and prototypes of DAD were designed by the supplier company which was approved by the DPM's office. The process of the operationalization of DAD faces difficulties and not meeting deadlines as there were delays from the DPM's office during accepting the deliverables from the vendor company.
- New partnership has started with the CBA in the context of raising access to finance with particular focus on innovative financial tools (Fin Tech) and consumer protection, including raising the level of financial literacy and designing of e-learning platform for sharing knowledge to the teachers and other interested parties.

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

A Climate Change Financing Framework (CCFF) for Armenia was drafted in 2021, including a summary of the best international experience and suggested methodology. In 2022 the discussions with the main stakeholders 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 (2021)						
			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	<ul style="list-style-type: none"> • Indicator 1.1.1: Status of the alignments of SDGs with Armenia strategy document on sustainable development /SDG alignment, including gender and age considerations 	\$5,893					\$5,893	In progress	USD 484 will be transferred to 2022. The indicator is in progress due to the late

equitable national SDG framework								approval of the second tranche.
	<ul style="list-style-type: none"> Indicator 1.1.2: Number of harmonized sectorial strategies with /SDGs, including gender and age considerations 	\$15,507				\$15,507	In progress	The amount will be transferred to 2022. The indicator is in progress due to the late approval of the second tranche.
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"> Indicator 1.2.1: Level of alignment of development strategies/policies/SDG policy targets/indicators with the MTEF/budget programmes 	\$11,082		\$3,120	\$2,253	\$5,709	Completed	
	<ul style="list-style-type: none"> 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) 	\$12,201		\$5,761	\$1,403	\$5,037	In progress	USD 1,224 will be transferred to 2022. The indicator is in progress due to the late approval of the second tranche.
	<ul style="list-style-type: none"> Indicator 1.2.3.: Number of relevant GoA staff trained on gender-responsive, child-sensitive and SDG-aligned programme-based budgeting 	\$17,912			\$8,956	\$8,956	Completed	
Output 1.3: Public, private and development financing landscape, including existing flows, gaps and options, is mapped to	<ul style="list-style-type: none"> Indicator 1.3.1: Overall development finance landscape for Armenia assessed as a basis for INFF 	\$10,000			\$3,000	\$7,000	Completed	
	<ul style="list-style-type: none"> Indicator 1.3.2: Establishment of DAD 5 enabling alignment between country-owned results frameworks, 	\$113,585			\$56,793	\$56,792	In progress	USD 22,359 will be transferred to 2022. The

inform the implementation of the Armenia strategy document on sustainable development (such as ATS or Government Program)	donor supports and SDGs. (SDG 17.15)							indicator is in progress due to the late approval of the second tranche.
Output 2.1: Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectorial targets	<ul style="list-style-type: none"> Indicator 2.1.1: Number of gender-sensitive and SDG related (climate change, food security and human capital) expenditure reviews and assessments conducted 	\$27,842				\$27,842	In progress	USD 23,091 will be transferred to 2022. The indicator is in progress due to the late approval of the second tranche.
	<ul style="list-style-type: none"> Indicator 2.1.2: Financing gaps and opportunities identified in three prioritized areas considering LNOB and gender equality principles 	\$17,633				\$17,633	Completed	
Output 2.2: Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient and adequate public and private resources	<ul style="list-style-type: none"> Indicator 2.2.1: Number of gender-sensitive and inclusive Financing Frameworks Developed 	\$12,885				\$12,885	Completed	
	<ul style="list-style-type: none"> Indicator 2.2.2: Number of gender-sensitive and SDG related (climate change, food security and human capital) financing options developed 	\$14,400				\$14,400	In progress	USD 6,310 will be transferred to 2022. The indicator is in progress due to the late approval of the second tranche.
Project Management, M&E		\$69,015	\$17,254	\$17,254	\$17,254	\$17,254	Completed	USD 2,179 has been overspent in 2021.

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

- Due to the dual crisis (COVID-19 and hostilities in and around Nagorno Karabakh in 2020) the Government's priorities for long-term development, as well as the JP's operation have been impacted and the JP's activities were delayed from July to December 2020. In addition, due to snap parliamentary elections in June 2021 the JP again encountered some delays since the key JP partners from the Government changed and thus, there was a need to rebuild new partnerships with both key stakeholder institutions - the Deputy Prime Minister's office and Ministry of Finance of Armenia. The JP team put efforts to renew the dialogue with the Government of Armenia during in Y2021 to keep the project's implementation on track as well as to implement the JP's activities in accordance with the Government's priorities. With the new Government in place and re-established partnership, the JP has continued all the activities' implementation in close cooperation and coordination with new Government officials. The status of the ATS and many key development sectorial strategies relevant to this JP is still unclear and mostly probably many of them should 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 conflict, as well as the overall economic decline in the country.
- The JP has faced challenges in the process of receiving the second tranche of funding which needed official confirmation and signature of the Government official. Due to changes of Government officials the JP was striving to receive the nominations and confirmation from the Government. After a line of discussions and negotiations the JP has managed to solve the issue and receive the second tranche of funding on December 15. However, as the project didn't have sufficient resources (due to late date of the second tranche receipt) UNDP has not met the planned financial delivery rate of 90%.

Despite many risks and challenges were posed to JP, the JP has managed to implement all main activities planned for 2021.

Please see attached the updated Risk Log.

VI. PRODOC CHANGES, HORIZON SCANNING

Given the compound crisis in Armenia due to the COVID-19 pandemic and the post-conflict reality, the Joint Programme had been continuously working with the Government and key stakeholders to maintain relevance and strategic positioning vs the new priorities of the country. As such, two main changes to the JP have been initiated:

1. JP duration – no-cost extension for 6 months, until 31 December 2022; to allow enough time to achieve the key milestones of the JP.

2. Updating the name of the main reference strategic development document, from Armenia Transformation Strategy to Armenia strategy document on sustainable development (such as the ATS or the Government Programme).

The budget and the main expected results haven't changed. The workplan has been updated according to the above, and the updated Joint Document was co-signed by the Government of Armenia. The other strategic aspects of the JP remain important for Armenia.

The partnerships with different key governmental stakeholders and IFIs were built in 2021 which will support the achievement of the set indicators which in their turn will contribute to the Fund's global results around Outcome 2 and Output 4.

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.

Events:

- In the scope of PFM activities, a special webinar was organized for all the Ministries and other governmental authorities on 2022 MTEF and budget methodological instruction, including the alignment with SDGs and SDGs high-level tagging. During the webinar a special presentation was done by JP PFM expert and UN RCO country economist on SDGs and budget alignments with SDGs.
- Representatives of UN RCO, UNDP and Ministry of Economy of Armenia have actively participated in INFF training organized by UNITAR and have got knowledge on SDG's financing tools, DFA and INFF processes in different countries.
- UNDP has organized several round tables and discussions in the scope of SDG budgeting/tagging for UN agencies. The SDG budgeting/tagging case of Armenia was presented in quarterly webinar organized by Joint SDG fund as well as for RBEC countries experience sharing platform.
- The international DFA expert conducted a mission to Armenia the objective of which was to have discussions with the main Government stakeholders on the findings of DFA and the design of the Integrated Financing Strategy for better mobilisation of financial resources to achieve the SDGs, as well as Government other development goals. In the scope of the DFA mission discussions/meetings and a special workshop were conducted with/for the RA Government stakeholders and representatives of the international institutions.
- A special capacity building workshop of "Strategic planning and SDG budgeting" was organized for the Ministries of the RA, as well as DPM Office in December 2021.

Partnerships:

- The JP maintains effective and efficient partnership with the MoF and DPM's office.
- New partnership with the MoE has been established in the scope of PIM system implementation.
- Some discussions and meetings have been organized with the officials of the Central Bank of Armenia in the context of increasing access to finance for the population.

Visibility:

- Communication strategy of the JP has been designed and submitted to the Joint SDG Fund.

- A special action plan has been designed to implement the communication strategy of the JP to raise awareness of the JP within the Ministries, the GoA, the DPMs offices and other stakeholders.
- The JP's facebook page was launched in December 2021.

VIII. EVALUATIONS

Evaluation Plan

The Joint Project's final evaluation is planned to be implemented in Y2022.

IX. DONOR REPORTS

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

Annual report and INFF survey – was submitted on January 19, 2021 to Joint SDG fund.

Quarterly reports – were submitted on April 23, 2021 and on October 19, 2021 to Joint SDG fund.

Semi-annual report – was submitted on July 19, 2021 to Joint SDG fund.

As of the reporting period Standard Progress Report for Q1-Q4 has been developed. 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 will continue technical assistance to the GoA in analyzing of strategic issues and SDGs alignments of other Megagoals of Armenia Transformation Strategy upon the request from the Strategy team in Prime Minister's office. 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 Armenia strategy document on sustainable development.
- **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**
- The JP will provide 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 realisation of gender-responsive, child-sensitive and SDG-aligned policies.

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 circulated and discussed with the GoA and Ministries. Based on these discussions 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.
- The research on innovative financial instruments will be finalized in the first semester of 2022 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.
- Technical assistance will be provided upon 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

- The draft of CCFF will be discussed and finalized with all the stakeholders in the Government to have a comprehensive institutional framework for climate change financing policy in Armenia.
- Financing needs and gaps assessment and analysis will be undertaken in the scope of climate change finance with particular focus on both public and private flows.

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	
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														
Output 1.1. Armenia strategy document on sustainable development is developed as an integrated, gender-sensitive and equitable national SDG framework														
1.1.1	Status of the alignments of SDGs with Armenia strategy document on sustainable development/SDG alignment, including gender and age considerations													\$ 13,600.00
	<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>													
1.1.2	Number of harmonized sectorial strategies with /SDGs, including gender and age considerations													\$ 3,400.00
	<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>													
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 realisation of gender-responsive, child-sensitive and SDG-aligned policies														
1.2.1	Level of alignment of development strategies/policies /SDG policy targets/indicators with the MTEF/budget programmes													\$ 28,992.00
	<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>																		
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)																		
	<i>Design of a tool for budget programs alignments with SDG targets and indicators (local consultancy)</i>																		
1.2.3	Number of relevant GoA staff trained on gender-responsive, child-sensitive and SDG-aligned programme-based budgeting																		
	<i>Organizing seminars, trainings, workshops, round tables on SDG budgeting</i>																		
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)																			
1.3.1	Overall development finance landscape for Armenia assessed as a basis for INFF																		
	<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>																		
1.3.2	Establishment of DAD enabling alignment between country-owned results frameworks, donor supports and SDGs. (SDG 17.15)																		
	<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>																		
																		\$ 72,400.00	
																		\$ 12,028.00	

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												
2.1 Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectoral targets												
2.1.1	Number of gender-sensitive and SDG-related (climate change, food security and human capital) expenditure reviews and assessments conducted											
	<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>											
2.1.2	Financing gaps and opportunities identified in three prioritized areas considering LNOB and gender equality principles											
	<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>											
2.2 Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient and adequate public and private resources												
2.2.1	Number of gender-sensitive and inclusive Financing Frameworks Developed											
	<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>											
2.2.2	Number of gender-sensitive and SDG-related (climate change, food security and human capital) financing options developed											
	<i>Implementation of the analysis of profitable areas in climate change</i>											
Component 3. Project Management, M&E												

3.1	Procurement/Recruitment Processes (TORs, RFQ/RFP, Evaluation, Contracting etc.)														\$ 47,104.00
3.2	Communication actions implementation														\$ 8,412.00
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														\$ 30,000.00
Total														\$ 274,169.00	

Results Framework¹

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	
Output 1.1: 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 include 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 document 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
Output 1.2: Public finance management and Public Investment Management systems are strengthened	Indicator 1.2.1: Level of alignment of development strategies/policies /SDG policy targets/indicators with the MTEF/budget programmes	MTEF, Budget Message Annex 3, expert report	N/A	2020	N/A	N/A	Budget programmes (2021) matched against development strategies/policies	Budget programmes (2021) matched against development strategies/policies	Development strategies/policies matched against SDG targets and indicators		Development strategies/policies matched against SDG targets and indicators	Budget programmes (2021) matched against development strategies/policies	Assessment of MTEF/ Budget Message Annex 3. Risks include delays in SDG nationalisation and ATS and sectoral strategies finalisation

¹ 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.

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	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)	Published budget reports by ATS/SDGs	The budgeting system does not include an SDG perspective and partially specifies allocations to gender equality and children in the relevant sectors and agencies	2020	The budgeting system does not include an SDG perspective and partially specifies allocations to gender equality and children in the relevant sectors and agencies	The budgeting system does not include an SDG perspective and partially specifies allocations to gender equality and children in the relevant sectors and agencies	The budget methodological instructions include a requirement for SDGs alignments with budget programmes in the planning (budget submission process) stage	The budget methodological instructions include a requirement for SDGs alignments with budget programmes in the planning (budget submission process) stage	The budget methodological instructions include a requirement for identifying tagging budget new initiatives against cross-cutting policies (gender, climate)		The budget methodological instructions include a requirement for identifying tagging budget new initiatives against cross-cutting policies (gender, climate)	The budget methodological instructions include a requirement for SDGs alignments with budget programmes in the planning (budget submission process) stage	Automatic budget reporting system. Published budget reports by ATS/SDGs.
	Indicator 1.2.3.: Number of relevant GoA staff trained on gender-responsive, child-sensitive and SDG-aligned programme-based budgeting	Training materials and reports; pre- and post-training assessments	0, considering all three aspects (gender, age, SDGs)	2020	0, considering all three aspects (gender, age, SDGs)	0, considering all three aspects (gender, age, SDGs)	50 GoA staff	50 GoA staff	100 GoA staff		100 GoA staff	50 GoA staff	Online-based pre- and post-training surveys. Risks include unwillingness to partake in the surveys
Output 1.3: Public, private and development financing landscape, including existing flows, gaps and options, is mapped to inform the implementation of the ATS	Indicator 1.3.1: Overall development finance landscape for Armenia assessed as a basis for INFF	INFF roadmap, DFA report MTEF, 2023 annual budget	Not assessed	2020	Not assessed	Not assessed	DFA conducted	DFA conducted	INFF roadmap designed based on DFA findings		INFF roadmap designed based on DFA findings	DFA conducted	Assessment of conducted tasks. Risks include delays in ATS development
	Indicator 1.3.2: Establishment of DAD enabling alignment between country-owned results frameworks, donor supports and SDGs. (SDG 17.15)	Donor Assistance Database 2022 Budget Message	N/A	2020	N/A	N/A	The prototype of DAD is developed and presented to the GoA.	The prototype of DAD is developed and presented to the GoA.	The DAD is developed enabling SDGs tagging with donor support programmes.		The DAD is developed enabling SDGs tagging with donor support programmes.	The prototype of DAD is developed and presented to the GoA.	Review of DAD and 2022 Budget message. Risks include delays in SDG nationalisation and ATS and sectoral strategies finalisation

<p>Output 2.1: 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>	<p>0</p>	<p>0</p>	<p>2020</p>	<p>0</p>	<p>0</p>	<p>At least 2 gender-sensitive and SDG related expenditure reviews and contextual assessments conducted</p>	<p>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)</p>	<p>At least 5 gender sensitive and SDG related expenditure reviews and assessments conducted</p>		<p>At least 5 gender sensitive and SDG related expenditure reviews and assessments conducted</p>	<p>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),</p>	<p>Review of Climate Public Expenditure & Institutional Review, Climate Change Financing Gap Assessment</p>
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	<i>Indicator 2.1.2: Financing gaps and opportunities identified in three prioritized areas considering LNOB and gender equality principles</i>	<i>Climate Public Expenditure & Institutional Review, Climate Change Financing Gap Assessment</i>	<i>No gaps nor opportunities identified</i>	<i>2020</i>	<i>No gaps nor opportunities identified</i>	<i>No gaps nor opportunities identified</i>	<i>Financing gaps and financing opportunities identified in at least 1 prioritized area considering LNOB and gender equality principles</i>	<i>Financing gaps and financing opportunities identified in the priority areas of Food Security and Agriculture considering LNOB and gender equality principles</i>	<i>Financing gaps and financing opportunities identified in 3 prioritized areas considering LNOB and gender equality principles</i>		<i>Financing gaps and financing opportunities identified in 3 prioritized areas considering LNOB and gender equality principles</i>	<i>Financing gaps and financing opportunities identified in the priority areas of Food Security and Agriculture considering LNOB and gender equality principles</i>	<i>Review of Climate Public Expenditure & Institutional Review, Climate Change Financing Gap Assessment</i>
Output 2.2: <i>Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient</i>	<i>Indicator 2.2.1: Number of gender-sensitive and inclusive Financing Frameworks Developed</i>	<i>Climate Change Financial Framework</i>	<i>0</i>	<i>2020</i>	<i>0</i>	<i>0</i>	<i>1</i>	<i>1</i>	<i>3 gender-sensitive and inclusive pilot Financing Frameworks developed for the 2022-2024 MTEF process</i>		<i>3 gender-sensitive and inclusive pilot Financing Frameworks developed for the 2022-2024 MTEF process</i>	<i>1</i>	<i>Review of Climate Change Financial Framework</i>

<i>and adequate public and private resources</i>	<i>Indicator 2.2.2: Number of gender-sensitive and SDG related (climate change, food security and human capital) financing options developed</i>	<i>Climate Change Financial Framework</i>	<i>0</i>	<i>2020</i>	<i>0</i>	<i>0</i>	<i>At least 1 gender-sensitive and SDG related financing option developed</i>	<i>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.</i>	<i>At least 3 gender-sensitive and SDG related financing options developed</i>		<i>At least 3 gender-sensitive and SDG related financing options developed</i>	<i>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.</i>	<i>Review of Climate change-related reports</i>
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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	UNRCO: Partnerships and Development Finance Adviser arevik.anapioosyan@un.org UNDP: Peace and

					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.	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 and private funding for successful implementation and scale-up of all JP interventions	UNDP: Team Leader for Innovation, Acceleration & SDG Finance tatevik.koloyan@undp.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	UNRCO: Partnerships and Development Finance Adviser arevik.anapiosyan@un.org UNDP: SDG Liaison officer louise.skarvall@undp.

					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.	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	UNDP: JP project manager, Ligia Ghazaryan ligia.ghazaryan@undp.org with support from

					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.	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 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.	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

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.anapioyan@un.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
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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: 18 December 2021

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
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	Active discussions and negotiations were organized with the Deputy Prime Minister’s (DPM’s) office, Ministry of Finance (MoF), Ministry of Environment (MoEn) and other relevant governmental authorities in relation to the status of ATS 2050, the sectorial strategies, associated action plans, budgets and their alignment with SDGs. Public Finance Management (PFM) system is strengthened by assisting the MoF in designing MTEF methodological guidelines and by aligning budget	Output 1.1. Armenia strategy document on sustainable development is developed as an integrated, gender-sensitive and equitable national SDG framework	The final output of ATS was provided in Q4 which showed the alignments between selected Megagoals and SDGs targets/indicators.		In partnership with the staff of Government of Armenia, Ministry of Finance, Ministry of Economy.	To continue the activities in 2022 when Strategy team of PM office will have clearer understanding of the ATS status and development activities.
		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 realisation of gender-responsive, child-sensitive and SDG-aligned policies.	<ul style="list-style-type: none"> PFM system is being aligned with SDGs, a pilot exercise has been implemented for SDG budgeting and tagging for Armenia by aligning development policies and SDGs targets/indicators with state budget programs in 2021 A capacity building workshop with special presentations was organized with the main Ministries and Deputy Prime 		In partnership with Ministry of Finance, other Ministries.	

	<p>programs with SDGs and development strategies.</p> <p>The DFA report, including the INFF roadmap was finalized in Quarter 4 and will be the main document to hold financing dialogues with the Government of Armenia for proceeding with the INFF and the design of a financing strategy for the country priority areas.</p>		<p>Minister'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"> The JP team and local PFM expert continue the collaboration with the Ministry of Finance for adjusting the 2022 MTEF and budget methodological instructions for better policy-budget alignment, introducing templates and instructions for policy-budget mapping in the MTEF 			
		<p>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).</p>	<ul style="list-style-type: none"> The DFA report including the INFF roadmap has been finalized, including financial flows analysis. 		<p>In partnership with Ministries.</p>	
<p>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</p>	<p>The negotiations with Ministry of Environment and Deputy Prime Minister's office are in the process.</p>	<p>Output 2.1. 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"> CPEIR was implemented by Environment portfolio of UNDP Armenia. 		<p>In partnership with Ministries.</p>	
		<p>Output 2.2. Coherent financing frameworks developed in the pre-selected</p>	<ul style="list-style-type: none"> A Climate Change Financing Framework (CCFF) for Armenia was drafted, including 		<p>In partnership with Ministry of Environment, Ministry of Economy.</p>	

		sectors for the allocation of sufficient and adequate public and private resources.	a summary of the best international experience and suggested methodology.			
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PROJECT PERFORMANCE—IMPLEMENTATION ISSUES

[If the person conducting the field visit observes problems that are generic and not related to any specific output, or that apply to all of them, he or she should address the ‘top three’ such challenges.] 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)
- Snap parliamentary elections
- Due to changes of Government officials, there were challenges in the process of receiving the second tranche of funding which needed official confirmation and signature of the Government official.

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 Armenia Transformation Strategy have been put on hold or are pending revisions. From the beginning of 2021 the JP has re-started active negotiations with national stakeholders and currently all the activities are in the process. After the appointment of the Government the JP has actively started negotiations with new Government.

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 change of the Government. 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, Deputy Prime Ministers’ offices and Ministries and consultations are followed up and addressed with the newly appointed Government.
- The evolving political situation in the country through April-June 2018 that resulted in the change of the Government slowed down implementation of the Project activities. Certain activities that envisaged close cooperation/coordination with the Government had to be postponed and the Project had to focus on such activities as provision of expert advice, and analysis. The Project also used this period for financial landscape analysis, internal discussions, working meetings and consultations with the national counterparts and building new partnerships in the scope of the project. This, among other, allowed to mitigate the slow implementation and further adjust the timeline to catch up on accumulated delays. During political instability the components of the project which are not affected by the situation in the country should be implemented.

- Notwithstanding the timely delivery by the Project, certain outputs (on the first outcome) were delayed due to the slow pace of the reform implementation by the Government. Nevertheless, by the end of 2021 the Project's main activities were on track.


Participants in the field visit:

Project // Portfolio

Project: Ligia Ghazaryan
Project Coordinator

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