



## **SGP COUNTRY PROGRAMME STRATEGY FOR UTILIZATION OF OP7 GRANT FUNDS**

### **ARMENIA**

#### **OP7 Financial Resources - SGP Country Programme (estimated US\$)**

<b>Total SGP Grants to date since 2009:</b>	<b>4,005,522</b>
OP7 GEF Core Funds:	<b>500,000 (tbc)</b>

Country Programme Strategy (CPS) document serves as a framework for the country programme operations and provides a programmatic guidance for development, implementation, monitoring and evaluation of the Global Environment Facility's (GEF) Small Grants Programme (SGP) in Armenia. The strategy sets basic project eligibility criteria and specifies types of projects to be funded through the programme. This document is designed to align SGP's operational phase strategies to that of the GEF and be in accord with the national environmental priorities of Armenia responding to the requirements of global environmental conventions (UNFCCC, UNCBD, UNCCD, POPs), as well as documents related to national development and poverty reduction. Finally, the CPS identifies the strategic results to be addressed by the country programme during the seventh GEF Operational Phase (January 2018 - June 2022). The target audience addressed in this document is the project proponents (NGOs, CBOs and community groups), central, regional and local government bodies, bilateral and multilateral donors, private sector, National Steering Committee and the SGP country programme team.



## TABLE OF CONTENTS

<b>1. INTRODUCTION TO THE GEF AND SGP.....</b>	<b>4</b>
<b>2. SUMMARY BACKGROUND: KEY RESULTS /ACCOMPLISHMENTS .....</b>	<b>5</b>
<b>3. COUNTRY PRIORITIES AND STRATEGIC ALIGNMENT .....</b>	<b>6</b>
<b>3.1 Alignment with National Priorities .....</b>	<b>6</b>
<b>3.2 Gaps and Opportunities.....</b>	<b>7</b>
<b>3.3 OP7 Strategic Priorities of the SGP Country Programme .....</b>	<b>9</b>
<b>4. OP7 PRIORITY LANDSCAPES &amp; STRATEGIC INITIATIVES.....</b>	<b>15</b>
<b>4.1 Grantmaking Within the Priority Landscape .....</b>	<b>15</b>
a) Process for selecting priority landscape .....	15
b) Selected Landscape Zone for OP7 .....	17
<b>4.2 Grantmaking Outside the Priority Landscape Zone .....</b>	<b>17</b>
a) CSO-Government-Private Sector Dialogue Platform.....	18
b) Promoting Social Inclusion .....	18
c) Knowledge Management .....	19
<b>5. COMMUNICATION PLAN .....</b>	<b>20</b>
<b>6. RESOURCE MOBILIZATION AND PARTNERSHIP PLAN.....</b>	<b>21</b>
<b>7. GRANTMAKER PLUS &amp; PARTNERSHIP OPPORTUNITIES .....</b>	<b>22</b>
<b>8. RISK MANAGEMENT PLAN .....</b>	<b>22</b>
<b>9. MONITORING AND EVALUATION PLAN .....</b>	<b>24</b>
<b>10. NATIONAL STEERING COMMITTEE ENDORSEMENT .....</b>	<b>33</b>
<b>ANNEX 1: Project Environmental and Social Screening Checklist .....</b>	<b>34</b>
<b>ANNEX 2: Contribution of the SGP Armenia to SDG targets.....</b>	<b>35</b>
<b>ANNEX 3: UPDATED LANDSCAPE BASELINE ASSESSMENT REPORT .....</b>	<b>36</b>



## List of Acronyms

ADA	Austrian Development Agency
AMR	Annual Monitoring Report
CBD	Convention on Biological Diversity
CBO	Community-Based Organization
CO	UNDP Country Office
CoE	Council of Europe
CPD	UNDP Country Programme Document
CPMT	Central Programme Management Team
CPS	Country Programme Strategy
CSOs	Civil Society Organizations
EU	European Union
FAO	Food and Agriculture Organization of the United Nations
GCF	Green Climate Fund
GEF	Global Environment Facility
GHG	Greenhouse Gas
IPEN	International POPs Elimination Network
LDN	Land Degradation Neutrality
LFM	Logical Framework Matrix
MEA	Multilateral Environmental Agreements
M&E	Monitoring and Evaluation
NBSAP	CBD National Biodiversity Strategy and Action Plan
NC	National Coordinator
NDCs	Nationally Determined Contributions
NGO	Non-Governmental Organization
NSC	National Steering Committee
OP	Operational Phase
PAs	Protected Areas
POPs	Persistent Organic Pollutants
RoA	Republic of Armenia
SES	Social and Environmental Standards
SDGs	Sustainable Development Goals
SDC	Swiss Agency for Development and Cooperation
SGP	Small Grants Programme
STAR	System of Transparent Allocation of Resources
UNCCD	United Nations Convention to Combat Desertification
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Industrial Development Organization
UNOPS	United Nations Office of Project Services
WFP	United Nations World Food Programme
WWF	World Wide Fund for Nature



## 1. INTRODUCTION TO THE GEF AND SGP

*The Global Environment Facility (GEF) is a global partnership among 183 countries, international institutions, NGOs, and the private sector that aims to address global environmental issues while supporting national sustainable development initiatives.*

The GEF was established in 1991 and serves as an independent financial mechanism to assist countries in fulfilling their obligations under the following Conventions they have signed and ratified: Convention on Biological Diversity (CBD), the United Nations Framework Convention on Climate Change (UNFCCC), the United Nations Convention to Combat Desertification (UNCCD), the Stockholm Convention on Persistent Organic Pollutants and the Minamata Convention on Mercury. The GEF's mission is the protection of the global environment with a particular purpose: the achievement of global environmental benefits through funding programs and projects in the following six areas of work: biodiversity, climate change, international waters, land degradation, chemicals and waste, and sustainable management of forests (REDD+).

The GEF Small Grants Programme (SGP) was launched in 1992 following the Earth Summit in Rio de Janeiro. As a corporate programme of the GEF, implemented by the UNDP and executed by the UNOPS, SGP aligns its Operational Phase strategies with those of the GEF and co-financing partners, and provides a global portfolio of innovative, inclusive, impactful and scalable projects that address global environmental and sustainable development issues. It supports activities of NGOs and community-based organizations in developing countries towards conservation of biodiversity, climate change abatement, protection of international waters, prevention of land degradation and reducing the prevalence of harmful chemicals and waste through community-based approaches while generating sustainable livelihoods<sup>1</sup>. SGP is based on the understanding that global and regional environmental problems can best be addressed if local people are involved and direct community benefits and ownership are generated.

The GEF SGP is highly decentralized and implemented in a democratic, transparent and country-driven manner facilitated by the National Coordinator (NC). The GEF SGP grants are awarded based on decisions made by the voluntary National Steering Committee (NSC) guided by the Country Programme Strategy paper developed on the basis of national environment and development priorities. The NSC is composed of national government representatives, UNDP Country Office, donor partners and civil society members representing NGOs, academia and science, with a majority of them coming from non-governmental sector.

Building on its over 26 years of successful operations in total 133 countries, the 7<sup>th</sup> Operational Phase of the SGP aims *“to promote and support innovative, inclusive and scalable initiatives, and foster multi stakeholder partnerships at the local level to tackle global environmental issues in priority landscapes and seascapes.”*

---

<sup>1</sup> Action at the local level by civil society and community-based organizations, including women groups, indigenous peoples, youth, and persons with disabilities is recognized essential to form multi-stakeholder alliances to deliver global environmental benefits and contribute to the GEF-7 Programming Directions, UNDP's Strategic Plan 2018-2021, and national priorities to achieve the UN Sustainable Development Goals and other international commitments.



## 2. SUMMARY BACKGROUND: KEY RESULTS /ACCOMPLISHMENTS

Armenia became the SGP participating country in 2007. The SGP country programme was officially launched with the appointment of the National Coordinator in late 2008 and grant disbursement within the GEF-4 Operational Phase (OP) in early 2009.

During the 4<sup>th</sup> and 5<sup>th</sup> OPs, SGP Armenia was allocated US\$2,423,522 of the GEF CORE and STAR funds, as well as US\$200,000 of EU funds that were committed in 66 viable grant projects. While during OP4 the country programme ensured a very good start-up of the SGP in Armenia by registering specific achievements in the GEF priority areas and demonstrating good management models and innovative solutions to environmental and social problems, the 5<sup>th</sup> Operational Phase was featured by significant expansion of the SGP's portfolio of projects. Thus, through addressing different thematic areas of the GEF, the SGP-funded projects spread out over all 10 (ten) provinces (marzes) of Armenia and the capital Yerevan. Moreover, by reaching out to the large number of poor and vulnerable groups in marginalized communities, SGP Armenia proved to be a fast, effective and friendly delivery mechanism for GEF and non-GEF resources that were efficiently used to safeguard the environment, alleviate poverty, promote social inclusion and empowerment. Specifically, in OP5, the SGP country programme diversified its funding sources by serving a delivery mechanism for the EU-funded initiative on *Strengthening environmental governance by building the capacity of NGOs in Armenia*. The EU grants enabled CSOs to participate in an informed and skilled manner in environmental policy formulation, collaborate in decision-making on key issues, and represent the interests of citizens and communities in environment and sustainable development discussions.

The past GEF-6 cycle was marked by adoption of the landscape-based grant-making approach within the selected focus area - **the steppe and forest landscapes of the middle mountainous zone** - to ensure a more cumulative and targeted impact on vulnerable ecosystems. Thus, SGP Armenia concentrated US\$1,130,593 of its OP6 CORE and STAR funds for a focused grant-making across the GEF focal areas within the set zone. Being selected as a lead country programme in the region in Low Carbon Energy Access and Climate Smart Innovative Agroecology strategic directions of OP6, SGP Armenia was entitled for additional top-up funding for implementing strategic projects on post-2010 actions (NDCs) and agro-biomass energy. The SGP continued to support and increase integration of marginalized groups into social inclusion, including women, youth, people with disabilities and other disadvantaged groups. Thus, 10 of 25 grantees represented provincial NGOs or community-based organizations, while 13 were women or women-led NGOs.

Contributing to the fulfilment of the GEF's mandate, the SGP Armenia projects in OP6 resulted in specific achievements generating the global environmental benefits, such as:

- Introduction of 4 innovative low-carbon energy technological solutions (solar, biomass fuel, efficient wood stoves, E-vehicle charging stations etc.) and 3 agroecological and farming innovations (solar-powered irrigation, modular tanks, intensive orchard systems);
- Protection, rehabilitation or sustainable management of 5 PAs (including 2 newly established community-based conservation territories and around 7,000 hectares of agricultural lands);
- Reduction of at least 325 tons of CO<sub>2</sub> annually by installation of solar thermal and PV systems and implementation of energy-efficient measures in over 40 communities; and
- Creation of about 2,000 temporary and permanent jobs (equally for men and women).



In OP6, SGP Armenia served as a delivery mechanism for the GEF Full-size Project “*Mainstreaming Sustainable Land and Forest Management in Mountain Landscapes of North-eastern Armenia*” (SLM/SFM) for disbursement of US\$200,000 in micro-grant projects supporting the creation of alternative livelihood opportunities for the local people. The SLM/SFM project grants were used to replicate the low-carbon technological innovations tested by the SGP in target forest-adjacent communities of Lori and Tavush provinces. Moreover, being an incubator of innovation, the SGP-supported initiatives broadened the replication of best practices through larger projects implemented by the UNDP and other donors.

As for thematic distribution, the SGP Armenia portfolio during the past 3 OPs since 2009 shows significant focus on Land Degradation focal area (33%), followed by Climate Change (25%), Biodiversity (23%), Capacity Building (10%) and Chemicals (9%). This is justified by the country strategic priorities and allocation of the GEF STAR resources earmarked for certain focal areas.

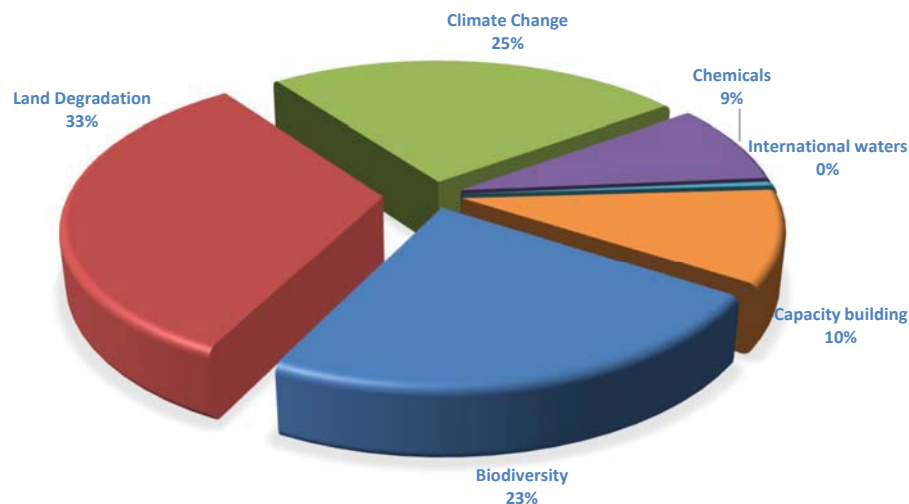


Figure 1. Distribution of SGP Projects by Focal Areas

To date, SGP Armenia has invested over US\$3 mln and leveraged over US\$5 mln of co-financing supporting more than 100 community-based projects throughout Armenia. Good practices and community innovations incubated by the SGP in the past decade were transferred to government agencies and private sector for better policy and business practices as well as replicated, scaled-up and commercialized by bilateral and multilateral donor agencies and businesses.

### 3. COUNTRY PRIORITIES AND STRATEGIC ALIGNMENT

#### 3.1 Alignment with National Priorities

Until now, the Republic of Armenia (RoA) has ratified and signed numerous international multilateral environmental agreements (Conventions and Protocols) and most of them are tied to the GEF strategic priorities. The list of relevant Rio Conventions ratified by Armenia and national planning frameworks is illustrated in Table 1 below.



Table 1. List of relevant conventions and national/regional plans or programmes

Conventions + national planning frameworks	Date of ratification / completion
GEF-7 National Dialogues	-
Convention on Biological Diversity (CBD)	31.03.1993
CBD National Biodiversity Strategy and Action Plan (NBSAP)	10.12.2015
Nagoya Protocol on Access and Benefit-Sharing (ABS)	Not ratified
UN Framework Convention on Climate Change (UNFCCC)	14.05.1993
UNFCCC National Communications (1 <sup>st</sup> , 2 <sup>nd</sup> , 3 <sup>rd</sup> )	04.11.1998, 07.09.2010, 15.05.2015
UNFCCC Nationally Appropriate Mitigation Actions (NAMA)	29.01.2010
UNFCCC National Adaptation Plans of Action (NAPA)	Under development, expected by the end of 2020
Nationally Determined Contributions (NDCs) for Paris Agreement	10.09.2015, 08.02.2017
UN Convention to Combat Desertification (UNCCD)	23.06.1997
UNCCD National Action Programmes (NAP)	28.03.2002, 27.05.2015
Stockholm Convention (SC) on Persistent Organic Pollutants (POPs)	22.10.2003
SC National Implementation Plan (NIP)	13.01.2005
Minamata Convention (MC) on Mercury	13.12.2017
UN 2030 Sustainable Development Goals (SDGs)	September 2015
Voluntary National Reviews (VNRs) for the UN SDGs	July 2018
Strategic Action Programmes (SAPs) for shared international water-bodies (IW)	A regional SAP was developed and signed by Azerbaijan and Georgia. Armenia is considering signing the SAP.
Republic of Armenia 2014-2025 Strategic Program of Prospective Development	27.03.2014
National Security Strategy of Armenia	26.01.2007

It's worth noting that according to the RoA legislation, international agreements have supreme legal force and become constituent of the country's legal system. The norms stipulated in the international agreements are subject to immediate execution and need to be specified in the national legislation of Armenia.

### 3.2 Gaps and Opportunities

Since early 2009, SGP in Armenia has been providing opportunities for meaningful engagement of CSOs and local communities in the implementation of the Multilateral Environmental Agreements (MEA)<sup>2</sup>, for which GEF serves a financial mechanism, as well as related national planning policies and strategies such as UN 2030 NDCs, SDGs and others. The country programme has increased its value by being a unique funding modality providing direct support to effectively implement socially inclusive, integrated approaches that promote multi-sectoral solutions to environmental challenges across the MEAs. Over the last decade, SGP played a critical role in catalysing innovations, testing new approaches, tailoring worldwide experience and best practices to country context, and transferring knowledge and solutions to

<sup>2</sup> The MEAs emphasize the need for social inclusion and broader participation, including involvement of civil society organization, indigenous peoples, and local communities.



government and private sector for better policies and business practices. Therefore, the SGP's facilitative role in expanding the CSO work and actions tackling global environmental challenges and SDGs in GEF-7 cannot be underestimated.

SGP Armenia will use OP7 resources to support the implementation of national priorities in relation to GEF-7 strategic directions and help the country achieve the objectives of the global conventions. The programme will promote the meaningful involvement of CSOs and community-level partners in processes related to the implementation of the convention guidelines in conformity with SGP OP7 project document and the CPS. Moreover, as part of *Grantmaker+* support services, the country programme will continue assisting CSOs (particularly CBOs) in project development and formulation and facilitate their access to resources of SGP and its partners.

UNDP's Social and Environmental Standards (SES) are comprehensively considered in the CPS in order to reduce environmental and social risks of SGP interventions. Those SES include three cross-cutting principles<sup>3</sup> and seven standards<sup>4</sup>, to be used by the country programme while selecting SGP projects in OP7. To ensure individual projects are in compliance with safeguards requirements, the SGP country team will use project SES checklist during the projects screening, as detailed in Annex 1. The checklist questions are also included in the SGP's application assessment form used by the NSC during the project review and assessment process. The SES criteria will be duly communicated to the stakeholders during the SGP team workshops and consultation meetings.

In consideration of the abovementioned, the SGP country programme niche in OP7 is to support the community-based environmental and social initiatives within the SGP strategic interventions through creative problem-solving and community innovations that generate global environmental benefits and improve people's wellbeing. SGP Armenia will concentrate on providing viable alternatives to the existing economic and cultural practices of communities that lead to overexploitation of natural resources and contribute to climate change. While these activities are expected to have economic effect and address poverty and unemployment, priority will be given to the socially excluded and vulnerable groups<sup>5</sup> to involve them in projects funded by SGP and its partners. Therefore, through support of these projects, SGP Armenia will synergize efforts of CSOs and community-level partners to contribute to the achievement of the SDGs, as described in Annex 2.

To add value to its grant-making work, SGP will invest in building and sustaining capacities of grantee-NGOs and other CSO partners for their effective engagement in formulation, implementation and monitoring of existing national strategies, policies and plans in relation to Rio Conventions and post-2015 development process. Moreover, the programme will promote innovative technologies and good

---

<sup>3</sup> The three cross-cutting principles that apply across all UNDP programmes and projects are the following: Human rights; Gender equality and women empowerment; Environmental sustainability.

<sup>4</sup> The standards, which are applied at the project level are the following: Biodiversity Conservation and Sustainable Natural Resource Management; Climate Change Mitigation and Adaptation; Community Health, Safety and Working Conditions; Cultural Heritage; Displacement and Resettlement; Indigenous Peoples; Pollution Prevention and Resource Efficiency.

<sup>5</sup> In Armenia, vulnerable groups are mostly located in small, remote, high mountainous, bordering and isolated rural communities. Those are particularly disadvantaged because of a certain consequence, i.e. - resettled and poorest. These also include other groups, such as disabled or those unable to work (physically, mentally or healthy-wise), rural elderly people, unemployed, resettled people due to natural disaster or due to the armed conflict in early 1990s.





management models piloted by SGP for eventual mainstreaming, replication and scaling-up. It is believed that lessons learned from these innovative efforts would contribute towards improving policy and decision-making at national and local levels.

In view of the aforementioned, the Objective of SGP country programme in Armenia is to:

***Support innovative and scalable initiatives through community-based approaches and actions, and foster multi-stakeholder partnerships for addressing global environmental issues***

To achieve the Objective, SGP Armenia will primarily focus its work on *a.* globally recognized critical ecosystems, *b.* setting-up socially responsible funding mechanisms to support innovations as solutions to community challenges and *c.* capacity development of national CSOs for their effective engagement in environmental governance and implementation of the newly launched SDGs.

### **3.3 OP7 Strategic Priorities of the SGP Country Programme**

In OP7, SGP in Armenia will continue landscape-based programming approach for a focus geographic zone adopted back in OP6 to ensure achievement of greater strategic impacts with limited resources. Similar to the previous phase, the programme sets the following four priority themes that are multi-focal in character, as listed below:

- (a) Community-based Conservation of Threatened Ecosystems and Species,
- (b) Sustainable Agriculture and Fisheries, and Food Security,
- (c) Low Carbon Energy Access Co-benefits, and
- (d) Local to Global Coalitions for Chemicals and Waste Management.

These strategic initiatives are designed in alignment with the global SGP OP7 ones (see Table 2) to foster synergies among the GEF focal areas and deliver integrated solutions through utilization of about 70% of GEF-7 grant-making resources. Up to 30% of remaining OP7 funds (Core and STAR) may be directed to support cross-cutting projects at national level outside the selected landscape area. These projects support capacity development; knowledge management; policy and planning; CSO-government-private sector dialogue platforms as well as other important initiatives that will enhance the reputation and strategic positioning of the SGP country programme.

#### OP7 strategic initiatives:

##### *Community-based conservation of threatened ecosystems and species*

The landscape approach is an integrated way of working at scale, creating linkages between biodiversity conservation, sustainable livelihoods, food sovereignty and resilience. Within the selected landscape area the SGP country programme will support: *i)* demonstration of sustainable livelihood practices based on conservation and sustainable use of biological resources, including agriculture, livestock, fisheries, forestry, and tourism; *ii)* introduction of working models of community conservation practices that create benefits for local people; and *iii)* demonstration of community-level practices for reducing nutrient flows and land-based pollution to transboundary water bodies.

The planned activities should result in better functioning of ecosystems, regulating air quality, climate, water cycle, erosion and natural hazards, pollination etc., as well as providing non-timber products, fuelwood and other benefits to local communities. Through direct involvement in SGP activities, the local



population will increase awareness and appreciation of the benefits of multiple ecosystem services and gain knowledge and practical experience of biodiversity-friendly income-generating activities. It is believed, that community participation will also increase project efficiency and sustainability of results and mitigate human-wildlife conflicts. The planned activities will intersect with other strategic initiatives of the SGP in OP7, thus ensuring synergism and coherence between the SGP-funded initiatives in the target area.

#### *Sustainable agriculture and fisheries, and food security*

Under this Strategic Initiative, SGP will test and promote community-based climate resilient agriculture, fisheries and food production practices that improve productivity and ecosystem functions and deliver other (associated) benefits. Application of the climate-smart innovative agro-ecology in the target area will help guide actions to transform and reorient agricultural systems to effectively and sustainably support development and food security under a changing climate. In the context of food security and development goals in the target area, the following 3 main objectives shall be addressed: *i)* sustainably improving food security and incomes by increasing on-farm and off-farm agricultural productivity and strengthening agri-food value chains and marketing; *ii)* building resilience and adapting to climate change; and *iii)* developing opportunities for reducing greenhouse gas emissions compared to expected trends. Therefore, the country programme under this theme will provide practical support to innovative agro-ecology practices that integrate land, water, livestock and biodiversity for improvement of ecosystem-based services and sustenance of local livelihoods. In the long run, these activities are expected to mitigate land degradation, increase productivity, strengthen farmers resilience, reduce agricultural emissions and increase carbon storage.

#### *Low Carbon Energy Access Co-benefits*

Under this strategic initiative, the SGP country programme will support demonstration of locally adapted innovative low-carbon technologies providing sustainable energy services and enhancing energy security. These interventions are aimed to reduce GHG emissions and deforestation, improve carbon sequestration and climate resilience of rural agricultural systems (reduced vulnerability to landslides, droughts etc.), as well as generate health benefits. It is envisioned that through the SGP catalytic seed funding successful low-cost bottom up green energy solutions will be wider deployed, adopted and scaled up, and be commercialized by the private sector. Facilitating the shift towards access to low carbon energy will help alleviate poverty and provide socio-economic benefits in rural areas, where high energy prices directly affect the vulnerable populations, including people with disabilities, refugees, unaccompanied children and others. In addition, the country programme will invest in local capacity building and empower youth to develop and implement innovative low-GHG technologies and energy efficient appliances. Knowledge sharing to highlight best practices and lessons from SGP demonstrations and community innovations will be also supported.

Given that the GEF OP7 period coincides with the key phase of the implementation of the Paris Agreement, the SGP country programme will particularly focus on accelerating the current implementation of the NDCs and provide support in the context of national strategies and plans.

#### *Local to global coalitions for chemicals and waste management*

In this priority area, SGP will focus its activities on *i)* pesticide management in agriculture and organic farming; *ii)* reduction of chemicals usage and contamination; *iii)* avoidance of open burning of solid waste; and *iv)* capacity development, awareness raising and knowledge sharing. In particular, the SGP country



programme will support practical solutions of safe disposal and management of harmful chemicals and waste through joint efforts with national and international actors. The programme will invest in the development of local capacities for environmentally sound management of harmful chemicals through demonstration of models at the community level. Given the common nature of chemicals and waste management issues for many countries, SGP will foster knowledge exchange and collaboration among local and global partnerships and initiatives (e.g. IPEN, IPEP etc.) and promote involvement of national stakeholders through awareness raising, educational campaigns and global knowledge networks.

#### Complementarity and synergy with other initiatives

SGP Armenia is committed to manage its programme activities to align them with the outcomes expected from the CPD and UNDAF by 2020. In particular, the country programme will be contributing towards the CPD Outcome 4 (UNDAF Outcome 7) focusing on introduction and application of SD principles and good practices for environmental sustainability resilience building, climate change adaptation and mitigation, and green economy. It is important to note that the Country Office CPD is in turn linked to global level UNDP Strategic Plan and related Integrated Results and Resources Framework (2018-2021).

Overview of the potential for complementarity and synergy of the SGP strategic directions with UNDP/UN System, donor-funded and NGO-led initiatives has identified a set of ongoing and planned projects and programs that will be considered for partnership and co-funding opportunities during the OP7, as detailed in Table 2. These interventions particularly focus on conservation and sustainable use of natural resources, climate mitigation and resilience building, as well as sustainable agriculture, tourism and rural development. Above all, SGP Armenia will consider its incremental funding along with the project knowledge and lessons in support of the CO-led platforms such as Armenia's National SDG Innovation Lab, Impact Aim Accelerator, Kolba Innovation Lab and others to directly contribute to the "green" signature solution of UNDP's Strategic Plan for 2018-2021.

Given successful experience of using the SGP in Armenia as a delivery mechanism for the EU-funded *EU-NGO* and GEF Full Size SLM/SFM projects in OP5 and PO6 respectively, the community-based grant-making scheme of SGP may be further utilized for the UNDP-implemented GEF projects and other vertical funds in OP7.

As part of the strategy for complementarity and synergy, the country programme will also strive to mainstream its activities in environmental and social programmes financed by the government, such as community- and marz-level projects within the framework of the 5-year socio-economic development plans, government subventions to communities, annual forestation activities implemented by "Hayantar" SNCO of the Ministry of Environment, and others. It is believed that SGP incremental funding, along with the incubated community innovations, will scale-up the impact of state-funded initiatives and foster CSO-government partnership.

Table 2 summarises the SGP global Strategic Initiatives, the country programme priorities that are based on needs and opportunities at the country level and potential for complementarity and synergy with the GEF, UNDP Country Office/UN Agency, government funded, and any other donor/NGOs funded projects.



Table 2. SGP Country Programme's alignment with SGP OP7 Strategic Initiatives and Country Priorities/Projects/Programmes

1	2	3
SGP OP7 Strategic Initiatives - Global	SGP Country Programme's OP7 Priorities	SGP Country Programme's complementarity with GEF, UNDP, and other projects and programmes
<p><b><i>Community-based conservation of threatened ecosystems and species</i></b>            Key objectives/focus:</p> <ul style="list-style-type: none"> <li>- Improve community-led biodiversity friendly practices and approaches, including promoting blue economy (e.g. agriculture, fisheries, forestry, tourism, infrastructure, etc.)</li> <li>- Enhance community led actions for protection of threatened species</li> <li>- Improve management effectiveness of protected areas through ICCAs and shared governance with private sector and government</li> </ul>	<p><b><i>Community-based conservation of threatened ecosystems and species</i></b>            Key objectives/focus:</p> <ul style="list-style-type: none"> <li>- Improve community-led biodiversity friendly practices and approaches (e.g. agriculture, fisheries, forestry, tourism, infrastructure, etc.)</li> <li>- Enhance community led actions for protection of threatened species</li> </ul>	<ul style="list-style-type: none"> <li>- Eco-Corridor Fund for the Caucasus implemented by the WWF Caucasus Programme Office and funded by the German Federal Government through KfW</li> <li>- Integrated Rural Tourism Development project implemented by UNDP and funded by the Russian Federation (RF)</li> <li>- Increased Climate Resilience of South Caucasus Mountain Communities and Ecosystems through Wildfire Risk Reduction project (Armenia and Georgia) implemented by UNDP and funded by the Adaptation Fund</li> <li>- Integrated Biodiversity Management in Caucasus (IBiS) project implemented by GIZ and funded by BMZ</li> </ul>
<p><b><i>Sustainable agriculture and fisheries, and food security</i></b></p> <ul style="list-style-type: none"> <li>- Increase efficiency and effectiveness of overall food production and value chain, including in vulnerable ecosystems</li> <li>- Increase diversification and livelihood improvement</li> <li>- Remove deforestation from supply chain and expanded restoration of degraded lands.</li> </ul>	<p><b><i>Sustainable agriculture and fisheries, and food security</i></b></p> <ul style="list-style-type: none"> <li>- Increase efficiency and effectiveness of overall food production and value chain, including in vulnerable ecosystems</li> <li>- Increase diversification and livelihood improvement</li> <li>- Remove deforestation from supply chain and expanded restoration of degraded lands.</li> </ul>	<ul style="list-style-type: none"> <li>- Green Agriculture Development in Armenia project implemented by UNDP and ADA, funded by the EU and ADA</li> <li>- Forest Resilience of Armenia, Enhancing Adaptation and Rural Green Growth via Mitigation project implemented by FAO and funded by GCF</li> <li>- Fostering Inclusive Economic Development in Bordering Areas of Gegharkunik and Vayots Dzor Regions, project implemented by UNDP in collaboration with WFP's School Feeding program, and funded by the RF</li> <li>- LEADER for Lori and Tavush Regions project jointly implemented by UNDP and FAO and funded by the EU</li> </ul>



<p><b><i>Low-carbon energy access co-benefits</i></b></p> <ul style="list-style-type: none"> <li>- Support implementation of Paris Agreement and the NDCs</li> <li>- Promote renewable and energy efficient technologies providing socio-economic benefits and improving livelihoods</li> <li>- Promote off-grid energy service needs in rural and urban areas</li> </ul>	<p><b><i>Low-carbon energy access co-benefits</i></b></p> <ul style="list-style-type: none"> <li>- Support implementation of Paris Agreement and the NDCs</li> <li>- Promote renewable and energy efficient technologies providing socio-economic benefits and improving livelihoods.</li> </ul>	<ul style="list-style-type: none"> <li>- De-risking and Scaling-up Investment in Energy Efficient Building Retrofits project implemented by UNDP and funded by GCF</li> <li>- Disaster Risk Reduction program of UNDP</li> <li>- Development of Armenia's 4th National Communication to the UNFCCC</li> <li>- Addressing Climate Change Impact through Enhanced Capacity for Wildfires Mgmt. in Armenia project implemented by UNDP and funded by the RF</li> <li>- UNDP CO-led platforms: Armenia's National SDG Innovation Lab, Kolba Innovation Lab and Impact Aim Accelerator</li> </ul>
<p><b><i>Local to global coalitions for chemicals and waste management</i></b></p> <ul style="list-style-type: none"> <li>- Promote plastics/solid waste management and circular economy</li> <li>- Reduce/remove use of chemicals in agriculture</li> <li>- Reduce and promote alternative to mercury use in artisanal and small-scale gold mining</li> <li>- Enhance local to global coalitions on chemicals, waste and mercury management</li> </ul>	<p><b><i>Local to global coalitions for chemicals and waste management</i></b></p> <ul style="list-style-type: none"> <li>- Promote plastics/solid waste management and circular economy</li> <li>- Reduce/remove use of chemicals in agriculture</li> </ul>	<ul style="list-style-type: none"> <li>- Elimination of obsolete pesticide stockpiles and addressing POPs contaminated sites within a Sound Chemicals Management Framework in Armenia GEF Full Size project implemented by UNDP</li> </ul>
<p><b><i>CSO-Government-Private Sector Policy and Planning Dialogue Platforms</i></b></p> <ul style="list-style-type: none"> <li>- Promote/enhance community voices and participation in global and national policy, strategy development related to global environment and sustainable development issues</li> </ul>	<p><b><i>CSO-Government-Private Sector Policy and Planning Dialogue Platforms</i></b></p> <ul style="list-style-type: none"> <li>- Promote/enhance community voices and participation in global and national policy, strategy development related to global environment and sustainable development issues</li> </ul>	<ul style="list-style-type: none"> <li>- Innovative Solutions for SDG Implementation in Armenia project implemented by the UNDP-led Armenia National SDG Innovation Lab and funded by the RF</li> <li>- The EU4Climate Action for the Paris Climate Agreement, implemented by UNDP and directed by the European Commission</li> </ul>



<p><b>Enhancing social inclusion (mandatory)</b></p> <ul style="list-style-type: none"> <li>- Promote targeted initiatives</li> <li>- Mainstream social inclusion in all projects (e.g. women/girls, indigenous peoples, youth, and persons with disabilities)</li> </ul>	<p><b>Enhancing social inclusion</b></p> <ul style="list-style-type: none"> <li>- Promote targeted initiatives</li> <li>- Mainstream social inclusion in all projects</li> <li>- Consider UNDP's Social and Environmental Standards to ensure individual projects are in compliance with safeguards requirements while selecting SGP projects in OP7</li> <li>- Ensure equal participation of men and women in SGP project</li> <li>- Promote active involvement of youth and disabled in SGP projects</li> <li>- Designate Gender and Youth focal points in the NSC respectively to ensure that key concerns and needs of these sectors are fully considered in SGP projects</li> </ul>	<ul style="list-style-type: none"> <li>- Women and Youth for Innovative Local Development project implemented by UNDP, GIZ and CoE</li> <li>- Women's Economic Empowerment in the South Caucasus project implemented by the UNDP and funded by SDA and ADA</li> <li>- UNDP CO-led platforms: Armenia's National SDG Innovation Lab, Kolba Innovation Lab and Impact Aim Accelerator</li> <li>- Enhancing access to services and participation of persons with disabilities implemented by UNDP, funded by UN PRPD</li> <li>- Strengthening Social, Health and Educational Service provision in Armenia, jointly implemented by UNDP and UNICEF, and funded by the RF</li> <li>- Enhancing Human Security and Building Resilient Society in Disadvantaged Communities of Armenia project jointly implemented by UNDP, UNICEF, UNIDO, WFP, FAO and IOM and funded by UNTFHS</li> </ul>
<p><b>Knowledge Management (mandatory)</b></p> <ul style="list-style-type: none"> <li>- Capture knowledge and lessons from projects and activities</li> <li>- Improve capacities of CSOs/CBOs</li> <li>- Conduct South-South Exchanges to promote technology transfer and replication of good practices</li> </ul>	<p><b>Knowledge Management</b></p> <ul style="list-style-type: none"> <li>- Capture knowledge and lessons from projects and activities</li> <li>- Improve capacities of CSOs/CBOs</li> <li>- Conduct South-South Exchanges to promote technology transfer and replication of good practices</li> <li>- SGP project knowledge and lessons sharing with the projects and programs implemented within UNDP/UN System</li> </ul>	<ul style="list-style-type: none"> <li>- UNDP CO-led platforms: Armenia's National SDG Innovation Lab, Kolba Innovation Lab and Impact Aim Accelerator</li> </ul>
<p><b>Results Management, Monitoring &amp; Evaluation (mandatory)</b></p> <ul style="list-style-type: none"> <li>- Administer new M&amp;E strategy in country programme and project design, implementation and overall decision making using participatory mechanisms</li> </ul>	<p><b>Results Management, Monitoring &amp; Evaluation</b></p> <ul style="list-style-type: none"> <li>- Administer new M&amp;E strategy in country programme and project design, implementation and overall decision making using participatory mechanisms;</li> <li>- Conduct capacity building workshops on proposal development using the logical framework approach and results-based reporting</li> </ul>	<ul style="list-style-type: none"> <li>- Contributing to the Strategic Plan Results (IIRF) through the Output 1.4.1: Solutions scaled up for sustainable management of natural resources, including sustainable commodities and green and inclusive value chains</li> <li>- Involving UNDP SGP focal point and other CO team members in SGP projects M&amp;E;</li> <li>- Considering SGP Armenia as a potential grant delivery mechanism for the UNDP-implemented GEF projects and other vertical funds</li> </ul>



#### 4. OP7 PRIORITY LANDSCAPES & STRATEGIC INITIATIVES

##### 4.1 Grantmaking Within the Priority Landscape

###### a) Process for selecting priority landscape

Placing greater emphasis on providing strategic and result-based interventions at the local level in OP7, SGP-Armenia will continue its operations in the priority focus area selected for OP6 - **the steppe and forest landscapes of the middle mountainous zone** (see Figure 2). This approach is conditioned by a number of socio-economic and climatic threats that still exist in the area and affect natural resources and lead to decline in ecosystems functioning and degradation of wildlife and habitats. The latter was also evidenced in the latest reports/communications to the Conventions (e.g. - LDN national implementation draft report, CBD 6<sup>th</sup> national report, 4<sup>th</sup> National Communication to UNFCCC, 2030 NDC, etc.), as well as during the SGP participatory monitoring visits with the involvement of NSC, UNDP, donor partners and other stakeholders. Given the above, as well as the limited timespan that SGP concentrated its resources in the target zone (since late 2016), there is an obvious need for further investments in support of restoration of globally recognised ecosystems, degraded forest and non-forest lands, and deployment of clean energy technologies in socially disadvantaged communities that highly rely on natural resources. This was agreed with the NSC and key stakeholders, including Convention focal points.

The process of the focus area selection was initiated back in OP6 with consultation and scoping exercise to communicate and build capacities about the SGP and its newly launched landscape-based approach and strategic initiatives, identify the priority directions in line with the national development agenda and discuss the potential for synergy with UNDP and other partner agencies. The consultations aimed to achieve a broader consensus on the country programme approach in OP6 to achieve greater strategic impact through clustering of projects and achievement of synergies. The major stakeholders included National Focal Points of the Rio Conventions, government officials, UNDP country team, sectoral experts, NGOs and community-based organizations, academia and other partners. The comments and suggestions presented during the meetings were mainly in line with the major national strategic documents, such as Sustainable Development Program of the RA, Government Programme 2019-2024, Perspective Development Strategic Program of RA for 2014-2025, National Forest Policy and Strategy of RA, National Forest Program of RA, National Water Program of RA, Strategy on Specially Protected Nature Areas, State Program on their Conservation and Use, National Strategy and Action Program to Combat Desertification in RA, Land Degradation Neutrality National Report of RA, draft Strategic Directions of Armenian Agricultural Development 2019-2030, Strategy of RA on Sustainable Agricultural Development for 2010-2020, Strategy and State Actions Program of RA on Biological Diversity Conservation, Use and Reproduction for 2016-2020 and others.

Selection of the landscape area of focus for SGP in OP6 was carried out taking into consideration the available funding for grant-making, niche, opportunities, challenges and potential for synergies, as well as based on the public consultation meetings and discussions with national authorities and local stakeholders. In 2015, five (5) public consultation and capacity building meetings were organized in Syunik, Vayots Dzor, Gegharkunik, Shirak and Lori marzes of Armenia and the capital Yerevan, where the need to focus SGP on landscape areas was presented, as well as experience of SGP successful projects and community innovations from previous OPs was shared. Over 80 participants from the representatives of NGOs, community-based organizations, self-governance authorities, regional administration, educational institutions and other local stakeholders discussed the proposed 7 target landscape options and other



possible focus areas during consultations. Multi-stakeholder consultations also included communication through questionnaires, which were sent to 164 stakeholders from different communities of Armenia. The questionnaires were aimed to identify the priorities in GEF SGP OP strategic initiatives, priority target landscapes taking into consideration the need to have better cumulative impact, as well as priority environmental problems and social and economic issues linked to that. The respondents were also given the opportunity to provide additional comments or remarks, to help to streamline the CPS.

The results of the overall consultation process presented to the SGP NSC, led to a new option, **which is the steppe and forest landscapes of the middle mountainous zone (at the altitudes of 1,400-2,400 m., covering approx. 60% of the territory of Armenia)**. This zone was approved by the NSC as a priority focus area for OP6 SGP grant-making in Armenia (see Figure 2). Such decision was made considering the need to have a more cumulative and targeted impact in a small country with a great range of altitudinal variation (375-4,095 m) and a variety of climatic zones, resulting in diverse landscapes and ecological communities. The NSC decision was also based on the fact that this zone includes more vulnerable to climate change ecosystems, where the highest biomass production is concentrated.

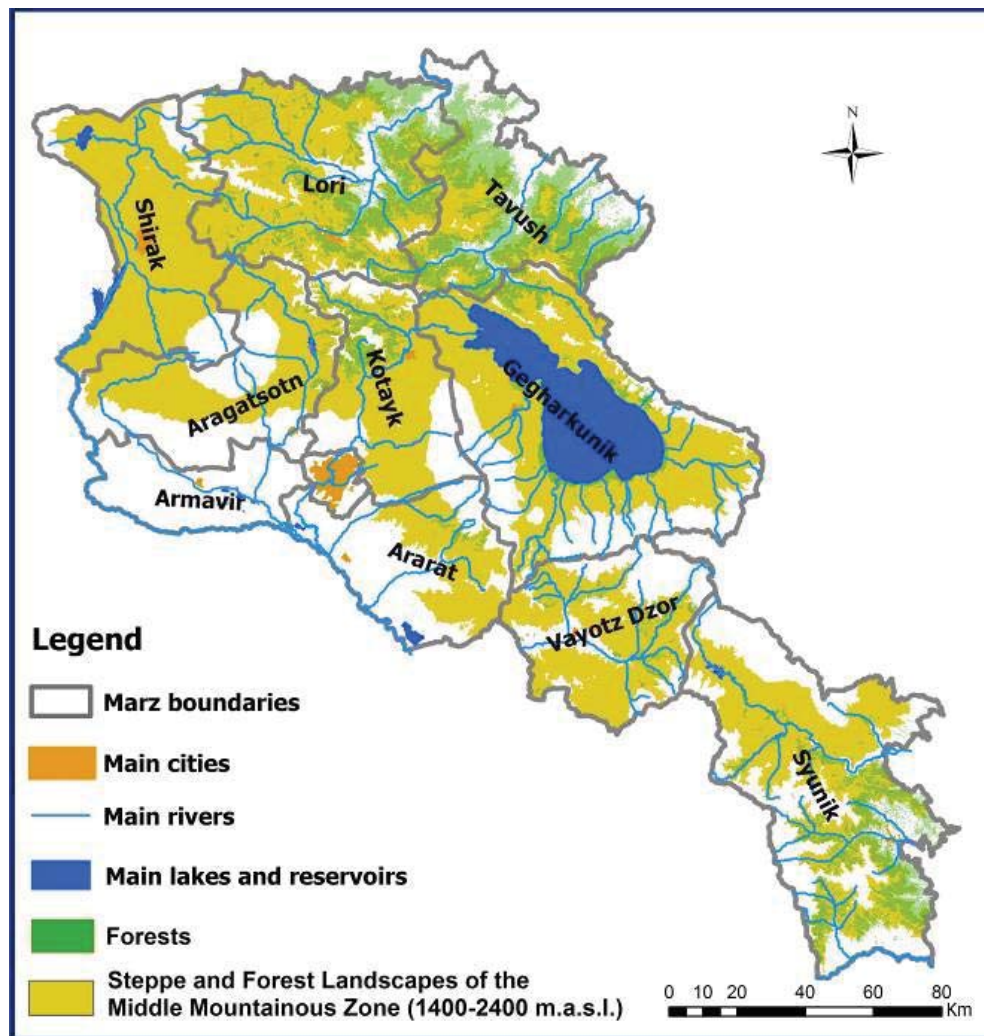


Figure 2. Map of the Selected Landscape





#### **b) Selected Landscape Zone for OP7**

The total area of the selected target zone composes 17,702 km<sup>2</sup> (1,770,200 ha) or 59.5% of the entire territory of Armenia and is mainly represented with steppe and forest landscapes. This zone is a typical steppe at lower elevations, and a meadow-steppe type at higher elevations. Currently, the steppes in the target area lose several ecosystem functions, such as water resource protection and regulation of evaporation, soil protection, reduction of pasture digression risk, prevention of water and wind erosion, pollution prevention and mitigation, and protection of habitats of rare species. In the target zone forests compose 64.6% of the total forest area of Armenia, which mostly have mild climate, dense hydrological network and segregated topography. Long-term forest logging in the target area has significantly disrupted agro- and forest ecosystem services that are critical for maintaining sustainable livelihoods.

Given that over 80% of the population of the target area is involved in agricultural activities, the great share of income comes from crop production, livestock breeding, as well as paid agricultural works. Due to underdeveloped infrastructure, pastures and grasslands are not sustainably used. Lands close to settlements are overused and degraded, while remote pastures remain underutilized and often become abandoned. Besides, loss of sub-alpine and alpine pastures is anticipated as a result of climate change.

The target area includes territories of all 6 river basin districts of the country, 5 of which are transboundary, except the Lake Sevan basin. Changes in rivers flow regime and reduction in water availability are expected due to existing and projected massive hydraulic infrastructure by Turkey in the Araks basin. In the target area, environmental problems associated with hydropower generation are obvious, as construction and operation of small HPPs often take place with evident violation of environmental norms. The latter negatively impacts water ecosystems, causing forest and biodiversity degradation, reduction of livelihood and income of the local population, as well as increased risks of natural disasters.

In rural communities of the target area, improper use and management of household and agro-chemicals create enormous problems leading to surface and ground water contamination, loss of biodiversity, land degradation, residue accumulation in the food chain and, ultimately, to serious health problems. Currently, there are practically no sanitary landfills that meet international standards, and the existing landfills are rather burial sites or dumps, where open-air low temperature burning may take place with known implications. In addition, there are no disposal facilities for industrial and hazardous wastes.

The rationale for the selection of the target landscape for the SGP in Armenia is detailed in the participatory Baseline Assessment Report (Annex 3).

#### **4.2 Grantmaking Outside the Priority Landscape Zone**

While about 70% of GEF-7 resources will be concentrated in the priority landscape to sharpen the scope of SGP grant-making and foster cumulative effect through integrated solutions across selected strategic initiatives, the remaining 30% of funds will be planned for innovative, inclusive, and impactful projects outside the target zone. This minor portion of OP7 funds will be utilized strategically based on the experience gained during the previous operational phases, as well as considering criteria identified for funding cross-cutting projects at national level outside the selected landscape zone. The following programming directions are identified for the grant-making outside the focus area in OP7:



- Promoting innovative technological solutions and management approaches in line with the concepts of green and circular economies;
- Supporting CSO-government-private sector dialogue platforms that promote civil society engagement with government and businesses in the context of multilateral environmental agreements and related policies and good practices;
- Building capacities of NGOs for better participation in environmental policy analysis and formulation, as well as the development of strategic and legislative documents relevant to environmental governance and sustainable development;
- Provision of new opportunities for partnerships, knowledge generation/dissemination for replication and translation of the SGP lessons into policy;
- Supporting ecological education and awareness raising on global environmental issues and relevant Rio Conventions.

The following criteria will be applied while selecting SGP 7<sup>th</sup> phase projects under the mentioned directions:

- Being consistent with SGP OP7 strategic initiatives and national environmental and development strategic and policy approaches;
- Promoting the increase of population well-being in local communities;
- Being consistent with the concept of ecosystem approach;
- Ensuring social inclusion, particularly women and youth.

#### **a) CSO-Government-Private Sector Dialogue Platform**

The SGP country programme will continue supporting the establishment of innovative multi-stakeholder dialogue platforms aimed at promotion of the role of CSOs, uptake of good practices, influence policies and enhance communications. SGP will strengthen its facilitating role in CSO-led consultative processes by working closely with the private sector and with government. With this aim, in OP7 SGP will expand its CSO-Government dialogue platforms towards a greater engagement of private sector to leverage its potential for scaling up and commercialization of SGP innovations. Above all, SGP Armenia will help CSOs enhance their capacities to engage in national policy analysis and dialogue processes related to environment and sustainable development policies in an informed and skilled manner. Using the trust built with both CSOs and Government, SGP will act as a “bridge” and facilitate collaborative discussions on identified issues, where the interests of citizens and communities will be duly represented. It is believed that creation of functional dialogue platforms at the national and sub-national levels will bring CSO needs and ideas to the government and businesses, allow sharing knowledge, best practices and lessons learned from CSO projects for integration into national policy and planning processes as well as scaling up and commercialization.

During OP7, SGP Armenia will build on its experience and lessons learned from previous phases, especially the CSO-Government collaborative models supported through the EU-NGO project funding in OP5, to further inform and influence policy at the local, regional and national levels.

#### **b) Promoting Social Inclusion**

The GEF Small Grants Programme has a long history of investing in local actions that foster social inclusion, while achieving global environmental and development objectives. In previous OPs, women, youth and other vulnerable groups, remained the largest category of SGP beneficiaries in Armenia. Given that women



empowerment and youth engagement have been two important initiatives of SGP, NSC has designated a focal point for gender and youth, respectively to track grant-making towards women and youth focused projects. Besides, the SGP is a member of the UNDP CO Gender Team to ensure greater consolidated input.

In OP7, SGP Armenia will contribute to the practical implementation of the GEF Gender Strategy and Action Plan by targeting women as specific beneficiaries while addressing gender inequality issues in the target landscape zone. In particular, SGP will support *i)* creating alternative ecofriendly livelihoods, such as eco-tourism services and other forms of sustainable nature-based revenue-generating opportunities; *ii)* employment of clean energy solutions in women-led initiatives to promote green production and reduce operational expenses; *iii)* awareness raising of the roles of women and men in the sustainable use of natural resources, including land, water and forest; and *iv)* capacity development of different women's groups and organizations to effectively engage in community planning processes, and represent their interests in relevant discussions and debates. SGP will also facilitate knowledge management by capturing knowledge, distilling best practices and lessons learned for further replication and scaling-up.

The status of gender mainstreaming in projects will be tracked by a set of gender-based indicators capturing gender-related changes in the society over time. Apart from mandatory sex-disaggregated beneficiary data, these indicators also reflect on the number of women-led projects; equitable access to resources and opportunities; enhanced women's participation and decision-making in natural resource management; and socioeconomic benefits and services created for women.

SGP has been prioritizing youth as one of the vulnerable groups in the context of its environment and development work. The country programme will further promote and strengthen the involvement of children and youth in design and implementation of the SGP-funded initiatives, as well as their leading role in addressing global environmental benefits. Acknowledging the integral role of youth participation in any debate on the future development of Armenia, SGP Armenia will work closely with youth and youth-support organizations to ensure that youth are informed, engaged and empowered to contribute to sustainable human development and resilience of their communities.

In OP7, SGP will continue supporting youth involvement in the context of climate change to contribute to the implementation of UN-wide youth engagement strategy. The programme will particularly focus on creating educational and vocational opportunities to meet the growing demand for "green" jobs in rural Armenia, where solar energy technologies are rapidly expanding.

Another focus group for OP7 inclusive strategy of SGP Armenia will be vulnerable and marginalized people mainly settled in small, remote, high mountainous, isolated and bordering communities. Those are particularly disadvantaged because of a certain consequence, including disabled or unable to work (physically, mentally or health-wise), rural elderly people, unemployed, resettled people due to natural disasters or the armed conflict in early 1990s.

In OP7, SGP will further accommodate particular needs of persons with disabilities in its project activities and ensure that they are part of decision-making processes.

Indicators and targets for social inclusive approach of the SGP are set in the Table 5 of the CPS.

### **c) Knowledge Management**



Knowledge management strategy implies the collection and dissemination of information concerning the experience gained from each project and the entire project portfolio across the GEF thematic areas. The objective of the knowledge management efforts is to facilitate the flow of knowledge and experience, leverage lessons learned from both successful and unsuccessful projects, and to replicate and scale-up good practices and community innovations. At the country level, best SGP practices will be used as an influence mechanism for the development and formulation of national policy for implementation of environmental conventions and development agendas. At the global level, examples of tested technologies, comparative advantage and experience of the country programme from OP7, as well as previous phases, will be shared and disseminated through SGP Digital Library of Community Innovations and South-South Community Innovation Exchange Platform.

Knowledge management will be one of the key activities of the SGP Armenia. Knowledge and experience gained through SGP projects will be collected and consolidated in handbooks, factsheets, case studies, films and video materials. This information will then be widely disseminated among practitioners to determine the best practices and strategies and to compare and share experience. Experience will also be shared at seminars, meetings, public presentations, knowledge fairs and through different electronic networks and media. Training programmes, workshops and visits to demonstration sites conducted within the SGP projects are of special importance in the knowledge management aspect.

SGP Armenia will encourage continuous knowledge sharing among the present and past grantees to share best practices and lessons learned; document best practices distributed; create a "directory of expertise" among SGP grantees to call upon each other for advice; develop websites and e-groups for regional groupings.

SGP Armenia will ask applicants to include a component for demonstration and knowledge dissemination in proposed projects. Regular short "press releases" will be prepared and disseminated in electronic and/or printed form by the grantees for updating the public on the past (successes, awards, recognitions, etc.), present and future activities. The grantees will be required to ensure a continuous and open exchange of knowledge and lessons learned with other applicants. The accessibility of information will be a requirement for all SGP participants.

## **5. COMMUNICATION PLAN**

SGP communication strategy focuses on communication and participation with a view to strengthening collaboration and creating partnerships. It is closely linked to SGP knowledge management system and aims to ensure engagement of key stakeholders and CSOs in the country programme activities, build relationships and foster partnerships; as well as to articulate the contribution of the SGP to the SDGs, national priorities, GEF mandate, and UNDP country programme document and communications strategy.

The target groups (or "audiences") of the SGP country programme Communication Strategy include: *i)* CSOs and communities within and outside of the selected landscape zone; *ii)* government counterparts; *iii)* private sector; *iv)* UN Agencies; *v)* donor community; *vi)* Armenian diaspora organizations; *vii)* mass media; *viii)* direct beneficiaries and public at large.

To facilitate the uptake of good practices and enhance communications, the above-listed target audiences will be provided with tailor-made, easy to read, up-to-date and eye-catching information on best practices,



community innovations and lessons learned that may contribute towards improving policy and decision-making at national and local levels. The programme will continue to serve as a unique and inclusive mechanism to bring the voices and knowledge of civil society to national and international platforms. Besides, SGP will be regularly contributing with stories and news to the UNDP global and local websites, as well as to the GEF website to showcase the value of working at the community level as well as increase the recognitions of community-based actions and programme visibility.

SGP will use various communication channels to reach its audiences, such as meetings, workshops and knowledge fairs; digital media; broadcast and print media; speeches and talks; field visits; conferences and public events; and visual media. The latter commonly includes photos, videos, infographics and other products that are the most popular media products to share on social media.

## 6. RESOURCE MOBILIZATION AND PARTNERSHIP PLAN

Resource mobilization is a key part of the SGP country programme strategy and therefore, a priority task for the SGP team, the NSC and Technical Advisory Group. It is a commitment on the part of SGP to the GEF Council to ensure minimum 1:1 co-funding ratio at global level, in a way that co-funding part is evenly allocated between cash and in-kind. Co-financing is also important for increasing the number, size and impacts of SGP funded projects. Mobilized partnerships and resources are vital for strengthening income-generating and other livelihood components of the projects that would foster community “ownership” of projects and thus ensure sustainability.

In OP7, projects funded by SGP Armenia are expected to ensure 1:1 co-funding ratio (50% in cash and 50% in-kind). However, once an adequate level of financial resources is mobilized at the country programme level, cash co-financing component can be reduced or not applied for projects of great significance or value in poor and vulnerable communities.

SGP Armenia will consider partnership and co-funding opportunities from both traditional and non-traditional sources. Resource mobilization activities will be carried out through the following directions:

- Assessment of interests and priorities of international donor and development agencies and identification of opportunities for partnership and co-financing;
- Attraction of private sector in SGP projects co-financing, also as a part of corporate social responsibility;
- Involvement of Armenian Diaspora in SGP projects co-financing;
- Mainstreaming SGP projects with UN agencies and GEF-funded larger projects;
- Mainstreaming SGP projects with SDGs implementation and poverty reduction programmes for expanded co-financing;
- Exploring opportunities for complementarity and cost sharing with state-funded projects and initiatives at local level.

SGP Armenia will target all possible sources to provide in-kind and cash co-financing for SGP both at programme and project levels. To this effect, the Programme aims to establish and maintain strong partnership relations with bilateral and multilateral donor agencies, UN agencies, Armenian Diaspora, as well as private sector and government.



According to the SGP principles, all country Programmes shall move to external non-GEF funding after a given period of time. SGP Armenia sustainability strategy will focus on sustaining the country programme results, both at project and programme levels, beyond the GEF funding. In particular, the country programme will focus on achievement of the following results:

- Mobilizing additional programme level co-financing and act as a delivery mechanism for GEF and other donors, including UNDP TRAC, recovering a share of the SGP non-grant costs;
- Strengthening income-generating components and thus, community “ownership” of the projects;
- Securing co-financing resources from traditional and non-traditional sources;
- Ensuring broad advertisement and replication of the successfully implemented SGP projects and initiatives;
- Ensuring that the CPS is updated to incorporate national environmental and sustainable development priorities;
- Ensuring the most-efficient contribution of the government representative in the NSC aimed at enhanced involvement of SGP Armenia in the national strategies and action plans;
- Ensuring SGP’s visibility through continuous communication, outreach and networking;
- Serving as a platform for cooperation and dialogue among NGOs/CBOs, local authorities, government agencies, academic and research institutes, private sector, media, and other stakeholders.

## 7. GRANTMAKER PLUS & PARTNERSHIP OPPORTUNITIES

Apart from regular grant-making, non-grant support services will be also provided by the SGP during the 7<sup>th</sup> Operational Phase, such as institutional building, knowledge networking, and policy advocacy. The “Grantmaker+” support mechanism will be continued to be applied for introducing the SGP experience, knowledge and assets accumulated over the years and creating value beyond grant-making. Within its “Grantmaker+” role, SGP Armenia will render additional support services and add value through the following approaches:

- i) assisting communities, local NGOs and other stakeholders to develop relevant proposals for accessing non-GEF sources of funding;
- ii) supporting the establishment of a “CSO-Government Policy and Planning Dialogue Platform”
- iii) support and increase integration of marginalized groups into social inclusion, including women, indigenous peoples, youth, and people with disabilities.

The OP7 *Grantmaker+* strategies and related activities may either be outside of the selected landscape zone, or promote partnership building, networking and policy development within the target areas.

## 8. RISK MANAGEMENT PLAN

Major risks identified for implementation of the country programme during OP7 are listed in Table 3 below. It illustrates an estimation of the degree and probability of risk, as well as relevant mitigation measures.



Table 3. Description of risks identified in OP7

Describe identified risk	Degree of risk (low, medium, high)	Probability of risk (low, medium, high)	Risk mitigation measure foreseen
Since Armenia is ranked as a lower middle-income country, many bilateral donors have downscaled their assistance, which creates a challenge in mobilizing resources.	Low	Low	This calls for a broader, more creative approach to partnerships, including new and emerging bilateral partners, development banks, government, directly with citizens, the private sector and the diaspora.
Insufficient awareness on SGP OP7 among executive agencies (corresponding Ministries, regional and local self-governance authorities) and business entities.	Medium	Medium	Continued discussion, consultation and information dissemination on SGP OP7 principles and approaches in Yerevan and marzes.
Insufficient understanding and lack of interest among SGP project proponents (NGOs, CBOs, etc.) on environmental issues and SGP OP7 strategic directions.	Medium	Medium	Implementation of a series of consultation meetings, capacity development, sharing the case studies of successful SGP OP6 projects to promote active participation in the SGP process.
Community-level stakeholders do not acknowledge benefits of sustainable use of natural resources and thus, lack motivation to participate in project activities.	Medium	Medium	Building capacity of community-level stakeholders on rational use of natural resources and supporting their practical involvement in eco-friendly activities as a sustainable source of income.
Degradation of production landscapes caused by climate change crossed the line when the consequences could still be addressed by adaptation measures.	Low	Low	During the lifetime of a grant project, the effects of climate change on pastures, forests and other landscapes are unlikely to be serious. In the long run, this risk will be addressed by integration of climate smart agro ecological approaches into ongoing rural development programs.
Lack of corresponding professional knowledge and skills among the stakeholder NGOs and CBOs on formulation of grant applications, and development of project proposals.	Low	Medium	Intensify support services within <i>Grantmaker+</i> initiative, the country programme will continue assisting CSOs (particularly CBOs) in project development and formulation and facilitate their access to resources of SGP and its partners.
Inadequate technical and human resources at local level to implement projects within SGP OP7.	Low	Medium	Based on the SGP experience, knowledge and assets accumulated over the years ensure targeted capacity building and training on efficient implementation of projects, including



Describe identified risk	Degree of risk (low, medium, high)	Probability of risk (low, medium, high)	Risk mitigation measure foreseen
			proper use of technology, finances and human resources.
Low confidence on ensuring the sustainability of the results of the projects implemented within SGP OP7.	Medium	Medium	To achieve sustainability of the projects implemented, and allow for replicability, lessons learned will be extracted and correspondingly communicated as part of M&E activities, among other things.
National policy does not quickly adopt/uptake the best practices and lessons learned from the SGP projects.	Medium	High	The project will use all possible mechanisms to ensure lessons learned are transferred to national level. Where necessary, the project will complement existing mechanisms by developing its own bottom-up transfer mechanisms - e.g. local working groups, seminars, or lobbying on specific issues.

The mentioned risks relating to social and environmental, climate, financial, legal and policy aspects will be tracked during the programme implementation and revised through CPS review. Then, the degree of risk, or probability of risk may be adjusted. If necessary, initially identified risks may be also removed and new ones added with appropriate mitigation measures.

## MONITORING AND EVALUATION PLAN

### 8.1 Monitoring Approaches at Project and Country Levels

Monitoring and evaluation (M&E)<sup>6</sup> is an essential component of SGP and intends to measure progress and achievements both at project and country programme levels. It is conducted on a regular basis in the course of implementation of different stages (planning, execution and completion) to identify problems and assess whether the targets set are being achieved. M&E activities are represented through different types of reports that help the country programme and its projects to maintain accountability, achieve sustainability, allow for replicability, as well as extract and communicate lessons learned. The findings and lessons learned from M&E will be used to improve the programme and projects design and implementation and will enable SGP grantees to carry on project activities after the grant period is over.

It is one of the programme principles that the SGP grantees deeply involve local communities and other stakeholders in a participatory self-monitoring and assessment/evaluation process at project level at least twice per project realization. It is believed that the involvement of project beneficiaries in M&E process

<sup>6</sup> Monitoring focuses at tracking the progress of project activities and achievement of planned outputs. It allows project participants to keep track of project activities, to determine whether project objectives are being met, and to make the necessary changes to improve the project's performance.

Evaluation refers to a periodic activity aimed at assessing the relevance, performance, effects and impact of a project within the framework of the stated objectives. The evaluation includes an explicit appraisal on whether the project has met its stated objectives in terms of the GEF focal area and operational programmes and if not, it reveals and analyses the reasons.





will promote mutual understanding about the project's approach, contribute to community "ownership", as well as enable capacity building and apply lessons learned from project and programme experience. Upon necessity and as possible, respective members of the NSC and TAG will also participate in monitoring activities. Besides, joint-monitoring modality will be also applied as feasible with foundations, academic institutions, partner projects and organizations for improved cost effectiveness. To increase the M&E capacities of the grantees, inception workshops, as well as peer-to-peer knowledge exchange and trainings on M&E strategy and implementation modalities will be held.

At country level, the M&E process mainly involves: development and implementation of the programme M&E plan, which is based on the indicators and targets set in Table 5 of the CPS (Logical Framework); compilation and communication of lessons learned, and annual reporting to the Central Programme Management Team and NSC. Table 4 below provides the key M&E tools and templates at the country program level.

Table 4. M&E Plan at the Country Programme Level

M&E Activity	Purpose	Responsible Parties	Budget Source	Timing
Country Programme Strategy elaboration	Framework for action including identification of community projects.	NC, NSC, country stakeholders, grantees	SGP planning grant to engage consultants may be used to update OP7 CPS.	At start of OP7
As part of NSC meetings, ongoing review of project results and analysis. This includes an Annual CPS Review.	Assess effectiveness of projects, country portfolio; learning; adaptive management.	NC, NSC, UNDP Country Office. Final deliberations shared/ analyzed with CPMT colleagues.	Staff time, Country Operating Budget	At least annual review to ensure OP7 CPS is on track to achieve its results and make timely and evidence-based modifications to CPS as may be needed.
Annual Monitoring Report Survey	Enable efficient reporting to CPMT and GEF. It serves as the primary tools to record and analytically present results to donors.	NC / PA in close collaboration with NSC. CPMT provides technical guidance support and receives final country submission for further action.	Staff time	Once per year in June- July
Country Portfolio Review	Methodological results capture of the portfolio at a given point to note impact level change as well as broader	NC, NSC	SGP planning grant to engage consultants may be used to undertake previous operational cycles	Once per operational phase



M&E Activity	Purpose	Responsible Parties	Budget Source	Timing
	adoption. The goal is to support reporting to stakeholders, learning, and support to strategic development / implementation of CPS.		impact review and utilize lessons for both OP7 CPS development and its implementation.  Global technical M&E support can be expected.	
SGP Database	Ensure recording of all Project and Country Programme inputs in SGP database.	NCs, PAs,	Staff time	Throughout the operational phase. Ensure quality assurance and completion of data prior to annual monitoring cycle (May- June of every year).
Audit	Ensure compliance with project implementation/management standards and norms.	UNOPS/External Contractor. NC / PA to provide requisite support.	Global Operating Budget	Annually for selected countries on risk-assessment basis

## 8.2 CPS Results Framework

Table 5 below shows the OP6 global project components and global targets (in number of countries) as described in the GEF CEO Endorsement document. Using the logical framework approach, it presents a set of country level results that address the OP6 focus area situation analysis detailed in the Baseline Assessment Report (Annex 4). In particular, the logical framework matrix shows the overall Objective of SGP in Armenia; details expected results at grant project (Output) and country programme (Outcome) levels; specifies approximate number and typology of projects; as well as features activities planned under respective target Outcome. In fact, these are the key elements used for planning, approving, evaluating and monitoring the SGP projects.



Table 5: Results Framework of SGP OP7 Country Programme Strategy

1 CPS Outcomes	2 Project-level activities necessary to achieve the results / Outputs	2 Country Programme Outcome / Impact Indicators		3 Means of verification
		Country specific indicators and targets	GEF-7 Core and SGP global indicators	
<b>OP7 CPS OBJECTIVE:</b> Support innovative and scalable initiatives through community-based approaches and actions, and foster multi stakeholder partnerships for addressing global environmental issues				
<b>Synergy with UNDP Country Programme Document (CPD):</b> - <b>CPD Output 4.5:</b> New production and consumption patterns are introduced; new "green" jobs are created				
<b>OP7 SGP CPS Strategic Initiative 1:</b> Community-based conservation of threatened ecosystems and species Key objectives/focus: - Improve community-led biodiversity friendly practices and approaches, including promoting blue economy (e.g. agriculture, fisheries, forestry, tourism, infrastructure, etc.) - Enhance community led actions for protection of threatened species				
<b>CPS Outcome 1:</b> Improved conservation, sustainable use and management of important terrestrial ecosystems through integrated community-based actions	<p>1.1 Incorporating nature-friendly practices into community livelihoods for sustainable use of biological resources and management of ecosystems (Approx. # of projects: <b>1</b>)</p> <p>1.2 Promoting effective community-oriented forms of conservation in support of critical protected areas, biodiversity hotspots and ecological corridors (Approx. # of projects: <b>1</b>)</p> <p>1.3 Raising awareness on conservation of sensitive areas and habitats, and increasing understanding about the importance and value of biodiversity and ecosystem services as well as economic activities contributing to its protection at community level</p>	<p>1.1.1 At least <b>250</b> ha of landscape are positively influenced through demonstration of domestic livelihood practices on conservation and sustainable use of biological resources</p> <p>1.2.1 At least <b>1500</b> ha of state PA and/or community conservation territory (incl. eco-corridors) benefited from financially viable models of wildlife management and conservation</p> <p>1.3.1 At least <b>200</b> community members have increased understanding on benefits of ecosystem services and knowledge on biodiversity-friendly livelihood practices including agriculture, fisheries, forestry, and ecotourism</p>	<p><b>250</b> hectares of landscapes under improved management to benefit biodiversity (GEF core indicator 4.1)</p> <p>At least <b>1</b> community-based protected area/ conserved area designations and/or networks strengthened</p>	<p>Individual project reporting by SGP country teams (as part of midterm and final Progress reports)</p> <p>Baseline assessment comparison variables (use of conceptual models and partner data as appropriate) Annual Monitoring Report (AMR), SGP global database</p> <p>Country Programme Review</p>



1 CPS Outcomes	2 Project-level activities necessary to achieve the results / Outputs	2 Country Programme Outcome / Impact Indicators		3 Means of verification
		Country specific indicators and targets	GEF-7 Core and SGP global indicators	
<b>OP7 SGP CPS Strategic Initiative 2: Sustainable agriculture and fisheries, and food security</b> Key objectives/focus: <ul style="list-style-type: none"> <li>- Increase efficiency and effectiveness of overall food production and value chain, including in vulnerable ecosystems</li> <li>- Increase diversification and livelihood improvement</li> <li>- Remove deforestation from supply chain and expand restoration of degraded lands</li> </ul>				
<b>CPS Outcome 2:</b> Climate resilient agricultural practices are introduced to mitigate land degradation, increase sustainable productivity, strengthen farmers' resilience, reduce agricultural emissions and increase carbon sequestration	<b>2.1 Promoting innovative climate smart agro-ecological approaches and practices, aiming at restoration and conservation of land, agrobiodiversity and associated agro-ecosystem services from pastures, haylands, waterbodies and other productive landscapes</b>  (Approx. # of projects: <b>3</b> )	<b>2.1.1 At least 3 proven techniques and practical approaches for increased efficiency of food production and value chain additions are demonstrated (e.g.- mulching, intercropping, conservation agriculture, organic farming, crop rotation, post-harvest management, resilient food crops, integrated crop-livestock management, agroforestry, improved grazing, fishery and water management)</b>  <b>2.1.2 At least 300 farmers and/or fishers have adequate capacities to implement climate resilient agriculture, fisheries and food practices that integrate land, water, livestock, biodiversity, and environmental management; improve ecosystem health, strengthen agri-food value chain and sustain local livelihoods</b>	<b>300 hectares of landscapes under sustainable land management in production systems (GEF core indicator 4.3)</b>  <b>150 hectares of degraded agricultural lands restored (GEF core indicator 3.1)</b>  <b>100 small-holder farmers supported towards the achievement of national Land Degradation Neutrality (LDN) targets</b>  <b>At least 1 project supporting linkages and partnerships for sustainable food production practices (such as diversification and sustainable intensification) and supply chain management including in sustainable fisheries management</b>	Individual project reporting by SGP country teams (as part of midterm and final Progress reports)  Annual Monitoring Report (AMR), SGP global database  Country Programme Review  Socio-ecological resilience indicators for production landscapes (SEPLs)



1 CPS Outcomes	2 Project-level activities necessary to achieve the results / Outputs	2 Country Programme Outcome / Impact Indicators		3 Means of verification
		Country specific indicators and targets	GEF-7 Core and SGP global indicators	
<p><b>OP7 SGP CPS Strategic Initiative 3: Low-carbon energy access co-benefits</b></p> <p>Key objectives/focus:</p> <ul style="list-style-type: none"> <li>- Support implementation of Paris Agreement and the NDCs</li> <li>- Promote renewable and energy efficient technologies providing socio-economic benefits and improving livelihoods</li> </ul>				
<p><b>CPS Outcome 3:</b> Locally adapted low-carbon technologies are demonstrated, diffused and commercialized</p>	<p><b>3.1 Enhancing capacity of local communities to apply locally adapted low carbon, viable and appropriate technologies and approaches</b>  (Approx. # of projects: <b>3</b>)</p>	<p><b>3.1.1 At least 1 innovative locally adapted application on low-carbon technology (micro-solar, micro-hydro, biogas and methane energy generation, and fuel-efficient stoves) developed, tested and documented for scaling up and replication</b></p> <p><b>3.1.2 At least 30 NGOs/CBOs, local authorities and/or community-level stakeholders demonstrated locally feasible low-GHG technologies</b></p> <p><b>3.1.3 Local population in at least 10 project communities has increased awareness on low-carbon energy co-benefits (resilience, ecosystem effects, income and health)</b></p>	<p><b>At least 150 KW of installed renewable energy capacity from local technologies (e.g. on types of renewable energy technology biomass, small hydro, solar)</b></p> <p><b>At least 3 community-oriented, locally adapted energy access solutions with successful demonstrations for scaling up and replication</b></p> <p><b>At least 200 households achieving energy access, with co-benefits estimated and valued</b></p>	<p><b>Individual project reporting by SGP country teams (as part of midterm and final Progress reports)</b></p> <p><b>Annual Monitoring Report (AMR), SGP global database</b></p> <p><b>Country Programme Strategy Review (NSC inputs)</b></p>



1 CPS Outcomes	2 Project-level activities necessary to achieve the results / Outputs	2 Country Programme Outcome / Impact Indicators		3 Means of verification
		Country specific indicators and targets	GEF-7 Core and SGP global indicators	
<b>OP7 SGP CPS Strategic Initiative 4: Local to global coalitions for chemicals and waste management</b> Key objectives/focus: - Promote plastics/solid waste management and circular economy - Reduce/remove use of chemicals in agriculture				
<b>CPS Outcome 4:</b> <i>Innovative and practical solutions to chemicals and waste management are introduced by fostering knowledge exchange and collaboration among local and global partnerships</i>	4.1 Promoting innovative, affordable and practical community-based tools and approaches for safe management of harmful chemicals and waste  <i>(Approx. # of projects: 2)</i>	4.1.1 At least <b>1</b> innovative and practical solution to safe management of chemicals and waste (pesticide, plastics, e-waste) piloted / tested, documented and disseminated with support from local and global chemicals coalitions and/or networks  4.1.2 At least <b>200</b> community members and local-level stakeholders have increased awareness and knowledge on chemical safety and waste management related issues	<i>At least 5 communities working on increasing awareness and outreach for sound chemicals, waste and mercury management</i>	<i>Individual project reporting by SGP country teams (as part of midterm and final Progress reports)</i>  <i>Strategic partnership with IPEN and Mercury GOLD country partners</i>  <i>Annual Monitoring Report (AMR), global database</i>  <i>Country Programme Review</i>
<b>OP7 SGP CPS Strategic Initiative 5: CSO-Government-Private Sector Policy and Planning Dialogue Platforms</b> Key objective/focus: - Promote/enhance community voices and participation in global and national policy, strategy development related to global environment and SD issues				
<b>CPS Outcome 5:</b> <i>Enhanced capacities of CSOs and community-level stakeholders for meaningful engagement in national policy analysis and dialogue processes related to environment and sustainable development</i>	5.1 Promoting CSO-government-private sector collaborative models and approaches to inform and influence policy at the local, regional and national levels, and scale up and commercialize SGP innovations  <i>(Approx. # of projects: 1)</i>	5.1.1 At least <b>1</b> CSO-government-private sector policy planning dialogue related to environment and sustainable development is supported  5.1.2 At least <b>1</b> SGP experience or best practice is provided to the government for influencing central and/or local policy development and formulation; scale up and commercialize SGP innovations	<i>At least 1 CSO-government-private sector dialogues convened to support community voice and representation in national / sub-national policy development</i>	<i>Individual project reporting by SGP country teams</i>  <i>Annual Monitoring Report (AMR), global database</i>  <i>Country Programme Review</i>



1 CPS Outcomes	2 Project-level activities necessary to achieve the results / Outputs	2 Country Programme Outcome / Impact Indicators		3 Means of verification
		Country specific indicators and targets	GEF-7 Core and SGP global indicators	
<b>OP7 SGP CPS Strategic Initiative 6: Enhancing social inclusion</b> Key objective/focus: - Promote targeted initiatives - Mainstream social inclusion in all projects				
<b>CPS Outcome 6:</b> <i>Inclusive approach is promoted by the SGP country programme in Armenia</i>		<b>6.1</b> <b>100%</b> of SGP projects funded in OP7 addressed gender equity issues as a mandatory cross-cutting requirement  <b>6.2</b> A designated gender focal point on the NSC provided expertise on gender issues and facilitated review of any gender components of projects  <b>6.3</b> At least <b>1</b> project funded in OP7 engaged the youth or differently abled people  <b>6.4</b> A designated youth and children focal point on the NSC promoted youth participation and leadership in projects	At least <b>1</b> SGP project led by women and/or mainstream concrete mechanisms for increased participation of women  At least <b>1</b> project contributing to closing gender gaps related to access to and control over natural resources  At least <b>1</b> project improving the participation and decision-making of women in natural resource governance  At least <b>2</b> projects targeting socio-economic benefits and services for women  At least <b>1</b> SGP project demonstrates appropriate models of engaging youth  At least <b>1</b> SGP project demonstrates models of engaging persons with disability  At least <b>500</b> direct project beneficiaries disaggregated by gender  At least <b>1500</b> indirect project beneficiaries disaggregated by gender	Individual project reporting by SGP country teams  Annual Monitoring Report (AMR), SGP global database  Country Programme Review



1 CPS Outcomes	2 Project-level activities necessary to achieve the results / Outputs	2 Country Programme Outcome / Impact Indicators		3 Means of verification
		Country specific indicators and targets	GEF-7 Core and SGP global indicators	
<b>OP7 SGP CPS Strategic Initiative 7: Monitoring and Evaluation and Knowledge Management</b> Key objective/focus: <ul style="list-style-type: none"> <li>- Capture knowledge and lessons from projects and activities</li> <li>- Improve capacities of CSOs/CBOs</li> <li>- Conduct South-South Exchanges to promote technology transfer and replication of good practices</li> <li>- Administer new M&amp;E strategy in country programme and project design, implementation and overall decision making using participatory mechanisms</li> </ul>				
<b>CPS Outcome 7:</b> <i>Monitoring &amp; Evaluation and Knowledge Management Strategy is implemented by the SGP country programme in Armenia</i>		<b>7.1 M&amp;E and Knowledge Management Strategy is applied by <i>all</i> SGP projects funded in OP7 as a mandatory requirement</b>  <b>7.2 At least <i>10</i> knowledge materials or documents on community innovations by CSOs and CBOs are uploaded onto the SGP digital library for online sharing and dissemination among stakeholders and partners</b>  <b>7.3 At least <i>1</i> proposal development workshop or other capacity building activity is conducted by the SGP team and/or NSC members in each administrative region</b>	<i>Approximately <b>14</b> projects administering results management modalities in programme design, implementation and overall decision making using participatory mechanisms</i>  <i>Frequency of updating SGP database for effective data collection, management and analysis supporting gains in programme performance and learning (Quarterly)</i>  <i>At least <b>1</b> South-South exchanges at global and regional levels to transfer knowledge, replicate technology, tools and approaches on global environmental issues</i>	<i>Individual project reporting by SGP country teams</i>  <i>Annual Monitoring Report (AMR), SGP global database</i>  <i>Country Programme Review</i>





9. NATIONAL STEERING COMMITTEE ENDORSEMENT

NSC members involved in OP7 CPS development, review and endorsement	Signatures
Armen Martirosyan	<i>Armen Martirosyan</i>
Armen Gevorgyan	<i>Armen Gevorgyan</i>
Alvina Avagyan	<i>Alvina Avagyan</i>
Gohar Grigoryan	<i>Gohar Grigoryan</i>
Margarit Piliposyan	<i>Margarit Piliposyan</i>
Natalya Tadevosyan	<i>Natalya Tadevosyan</i>
Lusine Avetisyan	<i>Lusine Avetisyan</i>
Norayr Harutyunyan	<i>Norayr Harutyunyan</i>
Siranush Galstyan	<i>Siranush Galstyan</i>
Simon Sargsyan	<i>Simon Sargsyan</i>
Zara Allakhverdyan	<i>Zara Allakhverdyan</i>



## ANNEX 1: PROJECT ENVIRONMENTAL AND SOCIAL SCREENING CHECKLIST

Name of Project				
Name of Organisation				
		Yes	No	Comments
<b>Overall Project Quality</b>				
Clear statement of the objectives of the project in alignment with OP6 strategic initiatives				
Realistic planning of activities and deliverables				
Realistic definition of project budget in agreement with project objectives and activities				
Sensible assessment of risks and challenges associated with the project and design of appropriate solutions				
Potential adverse impacts to people and the environment have been avoided, managed and mitigated in line with UNDP's Social and Environmental Standards?"?				
<b>Management Capacity</b>				
Efficient use of management and organizational tools for effective implementation of the project				
Clear definition of responsibilities/tasks/activities				
Sensible design of a M&E plan including clear indicators to track progress				
Sensible design of a Knowledge & Management Plan for knowledge sharing				
Sensible design of a communication plan for dissemination and policy advocacy				
<b>Sustainability</b>				
Identification of possible co-funding sources				
Sustainability through rendering funds cooperative, micro-credits, others				
Recognition of project importance and relevance to the community				
<b>Inclusiveness</b>				
Active involvement of women in decision-making and overall activities				
Active involvement of indigenous people in decision-making and overall activities				
Active involvement of youth in decision-making and overall activities				
<b>Gender Mainstreaming</b>				
Men and women had an active participation in the project design and it responds to the needs of both				
The impact of the project on women and men has been analyzed (please look at division of labor, work load and access to resources and services)				
The project explained what the outcomes are for men and women and aims to benefit both men and women				
The project provides gender disaggregated data on active participants and beneficiaries				
Men and women are part of the project management structure in an balanced manner (i.e. the project management team should be composed by both men and women and if possible in equal representation to ensure they have a say in decision making)				



## ANNEX 2: CONTRIBUTION OF THE SGP ARMENIA TO SDG TARGETS

SDGs	Expected Contribution
<b>SDG 1: NO POVERTY</b> End poverty in all its forms and everywhere	<ul style="list-style-type: none"> <li>✓ Diversification of income-generating opportunities;</li> <li>✓ Increase of capacity for viable economic practices;</li> <li>✓ Creating new employment opportunities</li> </ul>
<b>SDG 3: GOOD HEALTH AND WELL-BEING</b> Ensure healthy lives and promote well-being for all at all ages	<ul style="list-style-type: none"> <li>✓ Improved livelihoods by reduced cost or increased income;</li> <li>✓ Promoting sustainable agriculture to ensure food safety, healthy agricultural products and good health;</li> <li>✓ Enhanced resilience of people and ecosystems to the effects of climate change</li> </ul>
<b>SDG 4: QUALITY EDUCATION</b> Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	<ul style="list-style-type: none"> <li>✓ Contribution to the ecological component of primary school curricula with SGP-initiated educational materials;</li> <li>✓ Formation of public environmental awareness</li> </ul>
<b>SDG 5: GENDER EQUALITY</b> Achieve gender equality and empower all women and girls	<ul style="list-style-type: none"> <li>✓ Promotion of equal involvement of men and women in SGP funded project activities</li> </ul>
<b>SDG 6: CLEAN WATER AND SANITATION</b> Ensure availability and sustainable management of water and sanitation for all	<ul style="list-style-type: none"> <li>✓ Supporting decentralized, demand-driven, innovative, low-cost, and community-based water resource management and water supply and sanitation projects in rural areas;</li> <li>✓ Restoring water-related ecosystems and strengthening the participation of local communities in improving water and sanitation management</li> </ul>
<b>SDG 7: AFFORDABLE AND CLEAN ENERGY</b> Ensure access to affordable, reliable, sustainable and modern energy for all	<ul style="list-style-type: none"> <li>✓ Supporting demonstration, replication and scaling-up of locally feasible low-carbon technologies;</li> <li>✓ Promoting knowledge sharing and capacity building for development and implementation of innovative low-GHG technologies</li> </ul>
<b>SDG 11: SUSTAINABLE CITIES AND COMMUNITIES</b> Make cities and human settlements inclusive, safe, resilient and sustainable	<ul style="list-style-type: none"> <li>✓ Enhancing the capacity of local communities to adapt to climate change and improve their resilience</li> </ul>
<b>SDG 12: RESPONSIBLE CONSUMPTION AND PRODUCTION</b> Ensure sustainable consumption and production patterns	<ul style="list-style-type: none"> <li>✓ Promoting sustainable use of natural resources aimed at improving ecosystem health;</li> <li>✓ Introducing innovative and practical solutions to chemicals and waste management</li> </ul>
<b>SDG 13: CLIMATE ACTION</b> Take urgent action to combat climate change and its impacts	<ul style="list-style-type: none"> <li>✓ Reduction of GHG emissions through provision of access to clean energy, sustainable transport, improving energy efficiency and land use practices;</li> <li>✓ Promoting agro-ecological innovations that reduce agricultural emissions and enhance carbon stocks in biomass and soil;</li> <li>✓ Empowering local communities to become more resilient to severe climate events and variability</li> </ul>
<b>SDG 15: LIFE ON LAND</b> Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss	<ul style="list-style-type: none"> <li>✓ Incorporating biodiversity-friendly practices into community livelihoods for sustainable use of biological resources in production landscapes and management of ecosystems;</li> <li>✓ Promoting effective community-oriented forms of conservation in support of critical protected areas, biodiversity hotspots and ecological corridors;</li> <li>✓ Enhancing local capacity for addressing environmental degradation</li> </ul>
<b>SDG 17: PARTNERSHIPS FOR THE GOALS</b> Strengthen the means of implementation and revitalize the global partnership for sustainable development	<ul style="list-style-type: none"> <li>✓ Synergizing efforts of CSOs and community-level partners to contribute to the achievement of the SDGs nationally and globally;</li> <li>✓ Promoting development, transfer, dissemination and diffusion of SGP best practices to bring the knowledge generated by civil society and community-based organizations to wider audience, aiming to influence global environmental governance and goals</li> </ul>



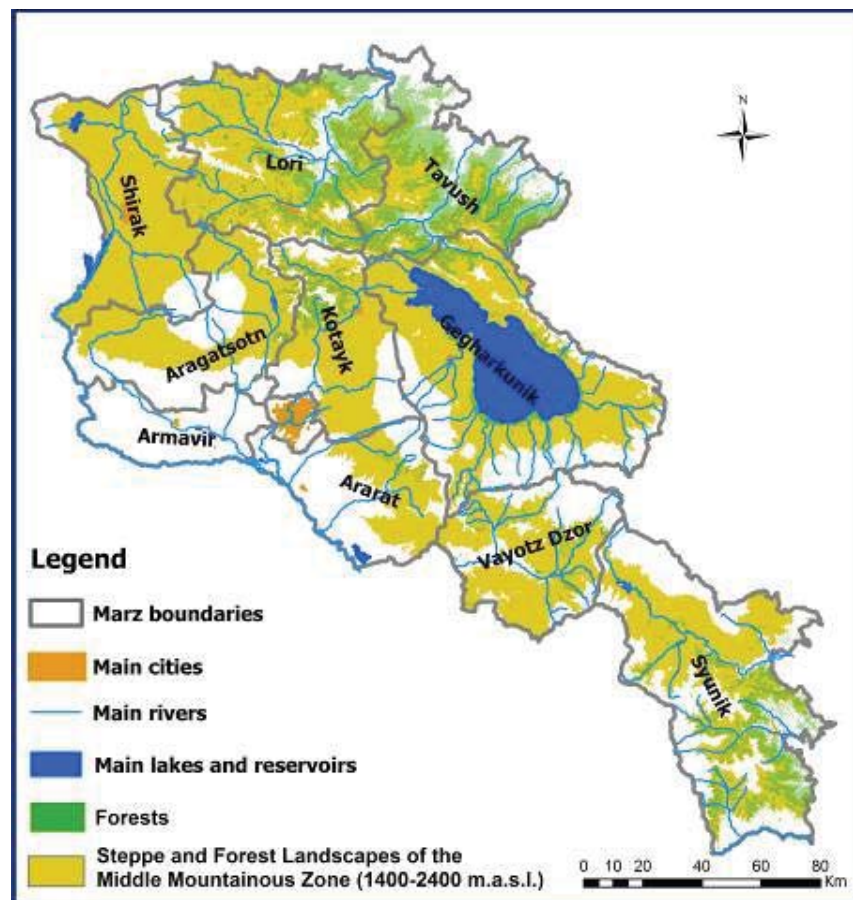
## ANNEX 3: UPDATED LANDSCAPE BASELINE ASSESSMENT REPORT

### BASELINE ASSESSMENT OF THE SELECTED TARGET AREA WITHIN THE GEF SGP OP7 COUNTRY PROGRAMME IN ARMENIA

#### STEPPE AND FOREST LANDSCAPES OF THE MIDDLE MOUNTAINOUS ZONE

##### 1. Introduction

Initially, the selection of the target area of focus was carried out for OP6 in 2016 taking into consideration the SGP's available funding for grant-making, niche, opportunities, challenges and potential for synergies, as well as based on the public consultation meetings and discussions with national authorities and local stakeholders. This included capacity building and consultation meetings with the local stakeholders in 6 marzes, formal meetings with the National Focal Points of the "Rio" conventions (Convention on Biological Diversity; United Nations Framework Convention of Climate Change; UN Convention to Combat Desertification; and Stockholm Convention on Persistent Organic Pollutants), and meeting of the SGP National Steering Committee. In total, 7 (seven) options for the target area were discussed. As a result of discussions, a broad consensus was achieved to select **the steppe and forest landscapes of the middle mountainous zone** (at the altitudes of 1,400-2,400 m., covering approx. 60% of the territory of Armenia) as the focus area for the GEF SGP. This zone was selected also taking into account the need to have a more cumulative and targeted impact and considering the fact that the area includes more vulnerable ecosystems from the point of view of climate change, where the highest biomass production is concentrated.





In OP7, placing greater emphasis on providing strategic and result-based interventions at the local level, SGP-Armenia will continue its operations in the priority focus area selected for OP6 - the steppe and forest landscapes of the middle mountainous zone. This approach is conditioned by a number of socio-economic and climatic threats that still exist in the area and affect natural resources and lead to a decline in ecosystems functioning and degradation of wildlife and habitats. The latter was also evidenced in the latest reports/communications to the Conventions (e.g. - LDN national implementing draft report, CBD 6<sup>th</sup> national report, 4<sup>th</sup> National Communication to UNFCCC, 2030 NDC, etc.), as well as during the SGP participatory monitoring visits with the involvement of NSC, UNDP, donor partners and other stakeholders. Given the above, as well as the limited timespan that SGP concentrated its resources in the target zone (since late 2016), there is an obvious need for further investments in support of restoration of globally recognised ecosystems, degraded forest and non-forest lands, and deployment of clean energy technologies in socially disadvantaged communities that highly rely on natural resources. This was agreed with the NSC and key stakeholders, including Convention focal points.

## 2. Baseline Analysis

### 2.1. General description of the target area

The total area of the selected target zone composes 17,702 km<sup>2</sup> or 59.5% of the entire territory of Armenia. Table below provides summary statistics on the focus area.

Settlement	Total	575
of which	cities	21
	villages	554
Population number	total	895,600
of which	urban	397,800
	Rural	497,800
Large cities in the target area and their population number	Gyumri	122,000
	Abovyan	43,500
	Hrazdan	41,800
	Gavar	20,800
	Charentzavan	20,400

**Industry:** In the target area the industry is well-developed in Lori and Syunik marzes, whereas in Tavush, Vayots Dzor and Gegharkunik marzes (provinces), the volume of industry is minor. The main branches of industry are mining, operation of open mines and processing industry. In the target area main industrial enterprises are concentrated in Alaverdi and Akhtala cities in Lori marz, and Kapan, Kajaran and Agarak cities in Syunik marz. Although the Government of Armenia has declared mining as a priority branch of economy, it is being developed mainly without a long-term program for sustainable use of resources, proper taxation, appropriate legislation for protection of environment and integrated assessment of environmental and social impacts. As a result, mining continues to have a disastrous impact, including physical disturbance of land cover, expansion of tailing dams, mining waste build-up, pollution of water resources, fragmentation and destruction of flora and fauna populations and habitats, and other.

**Agriculture:** About 36% of the total population of Armenia lives in sparsely populated and mountainous rural settlements, where agriculture is an important source of income. The great share of income in the rural settlements of the target area comes from crop production, livestock breeding, as well as from paid



agricultural works. In these rural communities about 80% of the population is involved in agricultural activities, where the share of crop production constitutes 63% and livestock breeding - 37%.

Land is considered as the main source of agricultural production, and it is evident that conservation of soil, rational and efficient use of land resources is important not only from agricultural, but also environmental perspective. Land degradation has a direct impact on the rate of agricultural growth, including crop productivity, grasslands, and pastures. In the target area the negative impact of agriculture is observed through land degradation, including soil erosion, destruction of vegetation cover in pastures, extinction of numerous flora species, spreading of insects and diseases, as well as pollution of soil, water and atmosphere due to application of inappropriate farming practices, and use of industrial and household wastewater for irrigation. Each year, erosion from water, wind and improper irrigation causes considerable damage to agriculture. The yield of the eroded lands compared to non-eroded lands is 3-4 times less.

Due to underdeveloped infrastructure in the target area, remote pastures and grasslands are not commonly used. This leads to overuse and degradation of pastures close to settlements, while grazing lands, that are farther away, remain underutilized and often become abandoned. As a result, about 150,000 ha are not subject to use any more.

Forestry: From the economic perspective forest is the most important natural ecosystem in Armenia. It is primarily used as firewood and construction material, whereas the forest by-products (wild fruits, nuts, mushrooms, berries and other food products, medicinal herbs) are being collected by the local population for household use and trade. Subsidiary forest use consists of recreation, haying, cattle grazing and apiculture. In the target area forests compose 2,154 km<sup>2</sup> or 64.6% of the total forest area of Armenia. Majority of forests (1,281 km<sup>2</sup> or 59.5% of the forest area in target area) is distributed in the north-eastern part, 22.3% (482 km<sup>2</sup>) in the south-eastern part, whereas in the wide central part, including Lake Sevan basin and Shirak plateau, forests occupy about 18.2% (391 km<sup>2</sup>) of the forest area in the target zone. Forest territories mostly have mild climate, dense hydrological network and segregated topography.

Although according to the official statistics illegal logging of forests in Armenia has decreased twice, the negative ecological changes due to forest logging are a long-term process in the target area, resulting in expansion of degraded forest and non-forest lands, formation of gorges, landslides and erosion-mudflow processes, drying out of springs, dust clouds and other impacts. These effects significantly disrupt agro- and forest ecosystem services that are critical for maintaining sustainable livelihoods.

Due to various socio-economic problems and high demand for wood, logging still exceeds the natural regeneration capacity of forests. This is explained by growing reliance of rural households in the target area on fuel wood as the primary source of energy for heating and cooking. It is very likely that such dependence on fuel wood for energy consumption will continue as long as the prices for gas and electricity continue to increase. According to the study conducted by "State Forest Monitoring" SNCO, the fuel wood consumed by population is 20 times more than the officially sold fuel wood. As a result, changes in the composition of forest occur, substituting the high value oak and beech with relatively low-value hornbeam. Naturally, forest attenuation also occurs causing upward shift of the lower forest zone.

Energy: Armenia has no proven reserves of oil or natural gas and currently imports nearly 80% of it from Russia and a relatively small amount of natural gas from Iran. Despite the high cost of energy carriers in the country, there is a great potential for utilization of renewable energy sources and reducing energy consumption in buildings.



Currently, hydro resources are mainly used in Armenia's renewable energy sector, whereas the potential of other sources is not adequately utilized. As of 2015, there are 63 small HPPs operating in the target area, and 6 are in the process of construction. While development of small HPPs is considered as an important alternative source of energy, their construction and operation very often take place with evident violation of environmental norms, having a negative impact on water ecosystems. In many cases small HPPs are constructed in the territories of vulnerable ecosystems (such as forests adjacent to rivers), which cause forest and biodiversity degradation, reduction of livelihood and income of local population, as well as increased risks of natural disasters. Due to exceed of water abstraction permit, HPPs violate the environmental flow requirements and create significant ecological, social and economic tension. Thus, alternative sources of renewable energy, including solar, biomass, and other, should be also sought and promoted. A comprehensive review of SGP's experience from previous phases ranks projects on solar<sup>1</sup> heating applications and energy efficiency improvement in buildings as most viable with tangible economic and environmental benefits.

*Biodiversity, specially protected areas:* The target area is mainly represented with steppe and forest landscapes. The steppe zone in the target area starts from the altitude of 1,500-1,600 m, reaching up to 2,000 m in the north and 2,400-2,500 m in the south. The zone is a typical steppe in the lower parts, and a meadow-steppe type in the upper parts. It is distinguished by a diversity of natural habitats and variety of species, including 600 species of high value plants, including 46 endemic ones. Fauna is represented by 96 vertebrate species (4 amphibian, 32 lizard, 19 bird and 41 mammal species) and 992 invertebrate species (81 mollusk, 126 arachnid and 785 insect species). Currently, the steppes in the target area lose several ecosystem functions, such as water resource protection and regulation of evaporation, soil protection, reduction of pasture digression risk, prevention of water and wind erosion, prevention of pollution, including in soil, biota and agricultural products, protection of habitats of rare species, ensuring the quantity of pollinators due to natural vegetation regeneration etc.

Forest diversity is represented by 870 species of high value plants, including 23 endemic species. Forest fauna is represented by about 2,000 species of insects, 90 species of vertebrates, including 6 (six) species of amphibians, 25 species of lizards, 42 species of birds and 17 species of mammals. About 50 fauna types are registered in the Red Book of Armenia. Local population uses forests mainly for fuel wood, and the slopes with low density forests as spring and summer pastures. In addition, local population collects the medicinal and edible plants, including berries, for household use or trade in the internal markets.

In the target zone the protected areas occupy around 356,065 ha territory. This includes 2 reserves (35,351 ha), 4 national parks (236,802 ha) and 19 sanctuaries (83,912 ha). Within these protected areas, the steppe landscapes occupy about 15% of the territory and the forest landscapes occupy about 28%. The table summarizing the Specially Protected Natural Areas in the focus zone is provided in Appendix 1.

*Water:* On average, Armenia has sufficient water resources. Taking into account all available water resources in the country, annual water availability per capita composes 3,100 m<sup>3</sup>, which is well above the water stress indicator of 1,700 m<sup>3</sup>. However, these water resources are not evenly distributed in space and time, and there is significant seasonal and annual variability in river runoff. The target area includes territories all of the 6 river basin districts of the country: Northern, Akhuryan, Sevan, Hrazdan, Ararat and Southern. All of these river basin districts, except Lake Sevan basin, are transboundary, shared with Turkey, Iran, Georgia or Azerbaijan. Shared groundwater resources add another level of complexity in the proper management of water resources, which play a key role in the socio-economic development of Armenia. Thus, reduction in

<sup>1</sup> Armenia's solar energy potential is significant, with 2,500 sunny hours per year and an average annual solar radiation on horizontal surfaces of about 1,720 kWh/m<sup>2</sup>.



water availability due to the construction of 2 large reservoirs on Araks River with an overall storage volume of 1.3 billion m<sup>3</sup> by Turkey is a major concern for the Armenian government. Existing and planned hydraulic infrastructure in the Araks basin by Turkey for consumptive (irrigation and water supply) and non-consumptive (hydropower) uses will result in changes in the river flow regime, as well as river dynamics and morphology. Deterioration of water quality in transboundary rivers is also a concern, for example due to non-point source pollution from agriculture and livestock activities in Araks and Akhuryan Rivers. Mining is also problematic as it refers to shared aquifers, such as the Aghstev-Tavush and Pambak-Debed aquifers. In these two transboundary aquifers, potential conflicts over the use of available resources are also expected as water demand in the riparian countries is increasing. Finally, in addition to transboundary rivers and groundwater, there are important transboundary ecosystems shared by Armenia and Turkey in the Araks River valley. According to UNECE, the Araks valley harbors several natural and artificial wetlands that provide important nesting areas for water birds.

*Tourism:* Armenia has great potential for natural and historical-cultural tourism, and tourism sector is considered as one of the priority directions for the Government. Development of recreational and ecotourism is much preferable from economic and environmental perspectives, for which it is necessary to establish corresponding support structures. The main impact of recreational and ecotourism on the ecosystem is recreational squash of vegetation cover, as well as pollution with waste at the picnic areas, especially if the latter are not equipped with corresponding bins. The selected target area, particularly Lake Sevan and forest landscapes, is very attractive for leisure and tourism activities. There are also numerous historical-cultural monuments in the target area. Currently, efforts are being made to make Tsaghkadzor a tourism center corresponding to international standards, develop tourism in Jermuk and Goris cities, as well as establishing “Tatev” tourism center. However, uncontrolled conventional tourism poses potential threats to many natural areas, leading to impacts such as soil erosion, pollution, discharges into watercourses, natural habitat loss and increased pressure on endangered species and heightened vulnerability to forest fires. Of particular concern are the valuable and vulnerable territories of the target area, such as PAs, buffer zones, ecological corridors and natural forests.

*Chemicals:* The prevailing source of environmental pollution by persistent organic pollutants (POPs) and other hazardous chemicals in Armenia is industry, including the chemical sector, agriculture (obsolete POPs pesticides and agrochemicals), energy sector, unintentionally produced POPs (dioxins and furans) and toxic substances during industrial production and waste processing, fossil fuel combustion, etc. Today, the energy sector is one of the main production sectors in Armenia, so that the problem of environmental pollution by used mineral oils (possible sources of PCBs) from electrical equipment is actual. Control and management of chemicals, at different stages of the lifetime cycle of these chemicals, are administered by different state organizations and local self-governance structures. Currently, legislative basis in the area of management of chemical substances and chemical waste (including POPs) requires further improvement. There are several laws and normative acts, which regulate the use of chemicals, including POPs in Armenia.

Improper use and management of household and agro-chemicals (including chemical fertilizers, banned or obsolete POPs pesticides stockpiles) create enormous problems in rural communities leading to surface and ground water contamination, loss of biodiversity, land degradation, residue accumulation in the food chain and, ultimately, to serious health problems. In communities, there is a certain lack of knowledge and practices on proper handling of chemicals, awareness and information on chemical management and safety issues. Still, there is a need to promote innovative community-based tools to encourage safe handling of harmful chemicals, and substitute with environmentally sound sustainable alternatives.





Waste: Currently, there are practically no sanitary landfills in Armenia that meet international standards, and the existing landfills are rather burial sites or dumps, where open-air low temperature burning may take place. In addition, there are no polygons and disposal facilities for industrial and hazardous wastes.

Despite some of the important steps that have been taken in Armenia in the waste sector, certain areas are in need of further action, including: creation of an environmentally sound and ecologically safe waste management system, including the improvement of appropriate legal framework and enforcement procedures; creation of waste registers on waste generation, processing and utilization facilities and disposal sites; ensuring reduction in waste generation, maximum use and promulgation of secondary use of waste; establishment of specialized waste disposal sites and sanitary landfills.

Plastic (PET) bottles and plastic (PE) shopping bags account for up to 30% of all solid household waste. Despite the plastic waste (non- or low degradable) is not very harmful to the environment, it is much more problematic as an everlasting source of littering and air pollution due to the risk of open-air burning in community landfills and dumps (emissions of dioxins and furans, toxic fumes). In order to reduce plastic waste at the community level, innovative practices and incentives must be introduced on waste reduction, reuse (e.g. use of reusable bags as an alternative to disposable plastic bags), separation and recycling. The latter can be achieved through public awareness and education activities, as well as the promotion of community-based campaigns to adopt a new approach and plastic-free practices.

Climate change: It is expected that an enormous change in Armenia's climate will occur over the next century. Temperatures will rise; precipitation, river flow and lake levels will fall; and heat waves, droughts, landslides, mudflows, and floods will become more common. The social impacts of the expected climate change will result in an increased incidence of illnesses from heat waves as temperatures rise; a shortage of water and an increase of electricity tariffs due to reduction of share of hydropower production in overall electricity generation; food shortages or increased food prices as agricultural productivity declines; and an increased incidence of dangerous and damaging landslides, mudflows and floods as increased evapotranspiration causing soil drying and deforestation coincide with extreme storms. As for economic impacts, climate change will affect business revenues, jobs, household income and consumption. Thus, it is expected that the loss of 10-27% of precipitation and 24% of river flow by 2100 will occur if no adaptation measures are implemented. Reduced agricultural production, among other things, will include loss of 19-22% of sub-alpine and alpine pastures and 3% of total pastureland by 2100. In general, losses from diminishing agricultural productivity could exceed 8% of Armenian GDP by 2100. Unless quick action is taken on large-scale adaptation measures, it is unlikely that Armenian families, their livelihoods, or their economy will be unscathed by climate change. Poor population, especially residing in rural areas will be particularly vulnerable to the effects of climate change. These effects disrupt ecosystem services important for agriculture, which is critical for maintaining sustainable livelihoods at local/community level. Therefore, agro-ecological practices that reduce agricultural emissions, increase carbon storage on farmland and enhance the resilience of people, farms and ecosystems to climate change should be promoted.

Social inclusion context: Although Armenia is steadily advancing in its human development, gender inequality between women and men continues to exist, especially in rural areas. Men are considered "heads of households and holdings", whereas women tend to be seen as "wives of farmers" instead of farmers. The unemployment rate of women and men is similar, with 17.5% of women in the labor force being unemployed compared to 18% of men. At the same time, women represent 54% of the unemployed, and 72% of the officially registered unemployed. Women are overrepresented in informal employment, unpaid work in family farming, and in domestic and reproductive activities. Gender-based inequalities in labor allocation,



resource access, ownership, and control in the household economy also a direct impact on environmental degradation and the health of the whole household.

Women are underrepresented in management positions. Only an estimated one in five small and medium-sized enterprises has a woman owner. As a result, women earn only 67.5% of what men earn. The obstacles that women face before they go into business include rooted stereotypes about women's roles and their participation in the economy, and in business in particular, as well as material barriers.

Armenian youth face many challenges in pursuing their livelihoods. Rates of youth unemployment, informal employment, and of those not participating in education or training are all high in Armenia. Consistent with stereotypical gender norms, more young men than young women work, and men dominate in industry, while women have a higher rate of participation in services. Overall, 29% of young men and 19.6% of young women are informally employed, which means they may lack access to labor protections and benefits. Meanwhile, there is a significant mismatch between the skills employers seek and the skills that most youth possess coming out of education programs. Outside the capital and other big cities, male youth aspire to start their own businesses, considering it to be autonomous, profitable, and more prestigious than paid employment working for someone else.

As a group, people with disabilities (PWD) are arguably the most disadvantaged in Armenia. Approximately 6% of the population in Armenia are recognized as disabled and are eligible for a disability pension and a limited package of medical services. The unemployment rate among persons with disabilities is high according to official statistics – over 90%. Nevertheless, it should be noted that Armenia has been making efforts to address numerous problems faced by PWD, to improve their socioeconomic situation and to facilitate their integration into the mainstream society. Improving access of vulnerable groups, including PWD, to employment is among the most effective keys to the solution of their multiple problems.

## **2.2. Global challenges to the environment and sustainable development in the target area**

Global environmental challenges in the mountain ecosystems include natural seismic risks, fires, climate change, changes in vegetation cover, transformation of agricultural lands of natural landscapes, infrastructure development and armed conflicts. These pressures result in degradation in the mountainous environment and impact the wellbeing of people, depending on the ecosystem services of such landscapes. All mountainous regions are characterized by the high risk of natural disasters and particularly severe impacts in case of inappropriate application of land use methods and outdated technology. Thus, it is necessary to ensure sustainable management of mountainous regions, in order to avoid ecosystem degradation and further aggravation of poverty.

The table below summarizes the main threats, causes, as well as environmental and socio-economic consequences of such threats.



Threats	Causes	Environmental Consequences	Socio-Economic Consequences
Land degradation	Application of inappropriate methods and technologies in agriculture (crop production, animal husbandry)	Soil erosion and secondary salinization, reproductivity loss, agro-ecosystem degradation, biodiversity fragmentation and loss in natural ecosystems, particularly in steppes; Reduction of vegetation cover in pastures, soil erosion occurrence, desertification, and changes in species composition of biocenosis	Reduction of crop productivity due to the loss of humus layer of the soil, decrease in livestock productivity, reduction of farmers income and poverty aggravation; Health problems due to excessive use of fertilizers to restore the soil production capacity
	Open exploitation of mines	Alienation of agricultural lands, disturbance of land and vegetation cover, disturbance of natural landscapes, pollution of land, air and water basins, disappearance of certain plant species and fauna habitats	Reduction of natural landscapes, reduction of size/area of individual plots, reduction in agricultural productivity and farm incomes
	Logging of forests	Erosion/Degradation of forest lands and desertification, reduction of replenishment capacity of springs, activation of natural disasters (mudflows, landslides)	Reduction of agricultural products and forest by-products, increase in the risk of natural disasters, decrease of population income, aggravation of poverty
Degradation of forest ecosystems	<p>Unsustainable use of forests:</p> <ul style="list-style-type: none"> <li>• Use of forest lands for agriculture</li> <li>• Illegal logging of forests,</li> <li>• Overuse of bio-resources, particularly firewood,</li> <li>• Misapplication of forest management plans,</li> <li>• Inefficient control of forest use,</li> <li>• Unregulated recreation,</li> <li>• Underestimation of the forest ecosystems role</li> </ul>	Quantitative and qualitative changes in forest ecosystem services, change in composition of forest types, anthropogenic succession and degradation, forest land erosion and desertification, increase in occurrences of landslides and mudflows, disturbance of hydrological regime of forests and aggravation of water deficiency, sediments runoff and eutrophication of downstream rivers and reservoirs, disappearance of fauna habitats, reduction of pollinating fauna species	Aggravated health problems due to unfavorable climate change and water deficiency, reduction of agricultural produce and forest by-products, decrease in population income, aggravation of poverty



Threats	Causes	Environmental Consequences	Socio-Economic Consequences
Environmental pollution	Industrial impact	Accumulation of hazardous substances in soils, pollution of air basin with dust and toxic substances, contamination of rivers and groundwater, build-up of industrial waste, and tailings and landscape destruction, aggravation of preconditions for growth, development and regeneration of species; extinction of valuable, disappearing and rare species in forest and other ecosystems; decrease of productivity of agrocenosis; deterioration of harvest quality	Aggravated health problems among the population and decreased income due to deterioration of the quality of landscape ecosystems services and agrobiodiversity
	Agricultural impact	Pollution of soil and water due to improper use of chemical fertilizers, pesticides and other agrochemicals; destruction of soil biodiversity (invertebrates, bacteria); change in composition of vegetation cover; alienation of valuable and rare plant species/populations in steppe ecosystems	Aggravated health problems due to deterioration of the quality of agricultural products, drinking and irrigation water
	Transport	Pollution of lands, air and water basins; accumulation of harmful substances in agrocenosis; ecosystems degradation; reduction of species and populations	Deterioration of population health due to disturbance of landscape ecosystem services and reduced quality of agricultural products
Effects of climate change	Increase of anthropogenic impact on environment and nature	Reduction of surface and groundwater reserves; more intensive dry-out of wetland ecosystems; inclusion of new areas in desertification process; increased frequency of natural disasters; decreased sustainability of mountain ecosystems; vertical shift of fauna and flora extension boundaries; change in composition of habitats; increased risk of extinction of endemic species; increased occurrences of forest fires	Drastic environmental changes, resulting in disturbance of hydrological regime and affecting the agrarian and forest sectors; posing real threats to population health, food and water security, reduction of livelihoods and emigration



Threats	Causes	Environmental Consequences	Socio-Economic Consequences
Water shortage and deteriorated water quality	<ul style="list-style-type: none"> <li>Irrational and uncontrolled use of surface and groundwater resources;</li> <li>Global climate change;</li> <li>Pollution from point and non-point sources</li> </ul>	Reduction of surface and groundwater reserves; more intensive dry-out of wetland ecosystems; inclusion of new areas in desertification process; significant damage to ecosystems	Reduced agricultural productivity, loss of food security for the rural poor; Damage to ecosystems and loss of cultural heritage (e.g. Lake Sevan); Serious health impacts due to insufficient quality / quantity of drinking water; Increased incidence of water-borne diseases like malaria and cholera

### 3. Elaborating SGP Strategic Initiatives of the 7<sup>th</sup> Operational Phase within the Selected Target Area

SGP-Armenia selected the following programming directions from the SGP global Strategic Initiatives (see Table 2 of CPS) to employ in the focus zone during the OP7:

- Community-based Conservation of Threatened Ecosystems and Species,
- Sustainable Agriculture and Fisheries, and Food Security,
- Low Carbon Energy Access Co-benefits, and
- Local to Global Coalitions for Chemicals and Waste Management.

It should be mentioned that the above-listed Strategic Initiatives proposed for OP7 landscape programming are rather identical (within the same conceptual framework) to the ones introduced during the previous phase, with minor updates in formulations<sup>2</sup>.

#### 3.1. Community-based conservation of threatened ecosystems and species

The target area is distinguished by variety of valuable biodiversity of global, regional and national significance, as well as existence of ecosystems providing services essential for well-being of population. It is very important to promote conservation measures and sustainable use practices that ensure ecosystem integrity and sustain provision of ecosystem services. Therefore, the planned activities should result in better functioning of ecosystems, regulating air quality, climate, water cycle, erosion and natural hazards, pollination etc., as well as providing food, fuelwood and other benefits to local people. Through direct involvement in SGP activities, the local population will increase awareness and appreciation of benefits of multiple ecosystem services, and gain knowledge and practical experience of biodiversity-friendly income-generating activities. It is believed that community participation will also increase project efficiency and sustainability of results.

The following typologies of the *Community-based conservation of threatened ecosystems and species* projects in the target area are proposed:

- Incorporating nature-friendly practices into community livelihoods for sustainable use of biological resources and management of ecosystems;

<sup>2</sup> *Community Landscape Conservation* and *Climate Smart Innovative Agro-ecology* Strategic Initiatives of OP6 were/have now been reformulated as *Community Landscape Conservation* and *Climate Smart Innovative Agro-ecology* respectively.



- Promoting effective community-oriented forms of conservation in support of critical protected areas, biodiversity hotspots and ecological corridors.

It should be noted that the projects implemented in one of the above-mentioned typology groups, can intersect with other strategic initiatives of the SGP in OP7, which will ensure synergism and coherence between the SGP-funded initiatives in the target area.

In OP7, the country programme activities will further contribute to the key objectives of the Global SGP Project Component 1 by supporting community conservation and sustainable use practices implemented through landscape-based approaches. The expected CPS results under this Strategic Initiative are *i)* improved community-led biodiversity friendly practices and approaches, such as agriculture, fisheries, forestry, tourism, infrastructure, etc.; and *ii)* enhanced community-led actions for the protection of threatened species (see Table 5, CPS Outcome 1).

### 3.2. Sustainable agriculture and fisheries, and food security

Innovation in agro-ecology in the target area shall seek to make best use of biodiversity and other ecological goods and services, while contributing to an equitable development of rural areas and enhancing the resilience of food production systems. Farmers, consumers and other actors, working on agro-ecological solutions and sustainable food systems, shall have a key role in this. Application of the climate-smart innovative agro-ecology in the target area will help guide actions to transform and reorient agricultural systems to effectively and sustainably support development and food security under a changing climate. In the context of food security and development goals in the target area, the following 3 main objectives shall be tackled: sustainably improving food security and incomes by increasing on-farm and off-farm agricultural productivity, and strengthening agri-food value chains and market linkages; building resilience and adapting to climate change; and developing opportunities for reducing greenhouse gas emissions compared to expected trends. Therefore, the following typology of the *Sustainable agriculture and fisheries, and food security* projects in the target area is proposed:

- Test and promote community-based climate resilient agriculture, fisheries and food production practices to improve productivity, reduce agricultural emissions, increase carbon storage on farmland and enhance the resilience of people, farms and ecosystems to climate change.

In OP7, the implemented projects should contribute to the key objectives of the Global SGP Project Component 2 through practical support to such agroecology initiatives in the target zone and knowledge sharing. The CPS results to be achieved under this Strategic Initiative include *i)* increased efficiency and effectiveness of overall food production and value chain, including vulnerable ecosystems; *ii)* improved wellbeing of local population through diversification of sustainable livelihood opportunities; and *iii)* reduced deforestation and expanded restoration of degraded lands through climate-smart agriculture. (see Table 5, CPS Outcome 2).

### 3.3. Low carbon energy access co-benefits

Armenia signed the Paris Agreement on 20 September 2016, which was ratified by the National Assembly on 08.02.2017. As a UNFCCC Non-Annex I country and Party to Kyoto Protocol, Armenia has developed its Intended Nationally Determined Contributions (INDC) approved by the Government Protocol Decision N41 on 10.09.2015. The Action Plan on implementation of the provisions under UNFCCC approved by the Government Decision # 49 from 08.12.2016, which in-line with other targets states provision to amend the INDC and present the National Determined Contributions (NDC) document for Government adoption. As a Party to Paris Agreement, Armenia will comply with the submission of the next round of NDC by the end of



2020.

As a Non-Annex I party to the Convention, Armenia does not have quantitative commitments for GHG emission reduction. However, to support the objective of the Convention and, given that slowing GHG emissions are in line with the country's economic, energy, and environmental objectives, Armenia has been implementing and, in its development perspectives, and planning the climate change mitigation measures. Armenia has adopted a number of laws and regulations, as well as elaborated and implemented national and sectorial programmes based on sustainable and low-carbon development principles. Although neither of these documents explicitly refers to climate change mitigation measures, the enforcement and implementation of these laws and programmes facilitate reducing GHG emissions, as well as forge a path to develop nationally appropriate mitigation actions. Obstacles to developing the renewable energy potential include insufficient financing mechanisms, lack of technologies and the public's poor understanding of the benefits of the low carbon energy. By promoting development of decentralized, low carbon technologies in the OP7 target zone, the SGP country programme will help alleviate poverty in rural areas, where high prices for energy affect the vulnerable groups directly and promote greater energy security.

Following typology of the projects in *Low Carbon Energy Access Co-benefits* in the target area is proposed:

- Enhancing the capacity of local communities to apply locally adapted low carbon, viable and appropriate technologies and approaches.

In OP7, the implemented micro level community projects should contribute to the key objectives of the SGP Project Component 3 by supporting low-cost bottom-up green energy solutions with alignment and integration of these approaches within larger frameworks, such as the initiative on sustainable energy for all<sup>3</sup>. The expected CPS result under this Strategic Initiative include *i)* accelerated implementation of NDCs for Paris Agreement; *ii)* renewable and energy efficient technologies providing socio-economic benefits and improving livelihoods are demonstrated, diffused and commercialized for further promotion (see Table 5, CPS Outcome 3).

### 3.4. Local to global coalitions for chemicals and waste management

Community-level stakeholders in Armenia are often unaware of the full extent of potential negative environmental and health effects of POPs, and lack the technical capacity to safely manage and dispose of harmful chemicals and waste. The same is true for the settlements in the SGP target landscape zone. Developing local capacity to implement the Stockholm Convention on POPs will be a key focus area for SGP, including activities to promote the environmentally sound management of other harmful chemicals and waste. Likewise in previous cycles, in OP7 the country programme will further support demonstration, piloting and testing of community-based approaches to address issues related to harmful chemicals and waste management. Given that chemicals and waste management issues are quite common in many developing countries, SGP will foster knowledge exchange and collaboration among local and global partnerships and initiatives (e.g. IPEN, IPEP etc.). In view of the above, and in line with the principles of the Stockholm Convention, the following typology of the projects on *Local to Global Coalitions for Chemicals and Waste Management* in the target area is proposed:

- Promoting innovative, affordable and practical community-based tools and approaches for the safe management of harmful chemicals and waste.

<sup>3</sup> The Sustainable Energy for All (SE4ALL) initiative has rallied the globe around three sustainable energy goals for 2030: universal access to modern energy, a doubling of the historic rate of improvement in energy efficiency, and a doubling of the share of renewable energy in the global energy mix.



In OP7, the implemented projects should contribute to the key objectives of the Global SGP Project Component 4 through demonstration, deployment and transfer of innovative community-based tools and approaches with support from newly organized or existing coalitions for managing harmful chemicals and waste in a sound manner. The expected CPS result under this Strategic Initiative to be achieved are *i)* promotion of plastics and solid waste management and circular economy; and *ii)* reduced use of chemicals in agriculture (see Table 5, CPS Outcome 4).

#### 4. CPS indicators, targets and results framework

This section establishes the strategic results that the country programme identified as a part of the participatory formulation process within the Baseline Assessment of the selected landscape zone. The CPS results are formulated through the logical framework approach format, which is an essential tool for monitoring and evaluation and facilitates the result-oriented project implementation (Table 5 of the CPS). The logical framework approach provides a snapshot view of all the main components of the SGP Armenia and presents expected results at project (Output) and programme (Outcome) levels, as well as the overall Objective of the country programme. Definitions of different result levels are given below:

Output is a short-term or immediate end-of-project result, which is the consequence of completed activities achieved. A project may produce an Output or many of them.

Outcome is medium-term or end-of-project result that is usually the consequence of the achievement of a set of Outputs from one or more projects.

Objective is a significant long-term result that is the logical consequence of the achievement of specific Outcomes, and results in measurable impacts to be produced by the programme.

Impact is the positive and negative, foreseen and unforeseen change to and effect caused by projects and programmes (GEF glossary of key terms). Impacts take a long time to become visible. As previously mentioned, the country programme is expected to produce global environmental impacts, livelihoods impact and empowerment impacts.

In essence, the Impacts, Objectives, Outcomes and Outputs are linked by a chain of cause and effect relations and thus, are logically connected statements in the programme results cycle.

The programme-level (Outcome) indicators considered in the logical framework matrix (LFM) (Table 5 of the CPS) correspond to GEF OP7 strategic and national priorities and were determined, based on the consultations with the stakeholders, and agreed with the NSC. The project-level (Output) indicators are to be identified from the list of the GEF SGP project level indicators by applicants in consultation with the NC before the start of the project.

The present baseline analysis identifies the key challenges and global environmental issues within the target landscape area to serve as the basis for measuring performance towards the achievement of the results. The proposed project level activities, necessary to achieve the expected results both at project (Output) and country programme (Outcome) levels are detailed in the SGP logical framework, illustrated in the CPS Table 5. The logical framework matrix also includes respective target indicators identified to track progress of the SGP country programme activities and assess efficiency and effectiveness of the expected CSP outcomes.





## 5. Modalities for Implementation of Projects in the Target Area

Currently, the environmental governance in Armenia is characterized by a highly segregated vertical structure with limited autonomy of territorial bodies and communities. Inflexibility of such a structure, as well as lack of technical and financial resources result in disruption of linkage in the management system and disharmonized functions. To address this problem, as a priority step, it is necessary to expand the role of local self-governance authorities and communities and directly involve them in the activities implemented in the target area. The target area communities can play a significant role in SGP OP7 initiatives supporting sustainable use and conservation of land, water and other natural resources and associated ecosystem services. Such projects will succeed only if local population is actively involved in project design, formulation and implementation stages, ensuring strong ownership of the outputs, and resulting in direct socio-economic benefits.

The proposed modalities for project implementation will include the following: linking and connecting projects within the target area for learning and exchange; fostering engagement with local authorities; identifying policy influence and scaling up opportunities; promoting participatory M&E that enables community involvement; and facilitating knowledge management and capture and dissemination of results.

Knowledge management strategy implies the collection and dissemination of information concerning the experience gained from each individual project and the entire project portfolio by various GEF thematic areas. The objective of the knowledge management efforts is to facilitate the flow of knowledge and experiences, leverage lessons learned from both successful and unsuccessful projects, and to replicate and scale-up good practices. Best SGP practices will be used as an influence mechanism for the development and formulation of policy for implementation of environmental conventions and development agendas.

Knowledge management will be one of the key activities of the SGP Armenia. Knowledge and experience gained through SGP projects will be collected and consolidated in handbooks, factsheets, case studies, films and video materials. This information will then be widely disseminated among practitioners to determine the good/best practices and strategies and to compare and share experience. Experience will also be shared at seminars, meetings, public presentations, knowledge fairs, knowledge centers and through different electronic information networks and media when applicable. Training programmes and workshops conducted within the SGP projects are of special importance in the knowledge management aspect.

SGP Armenia will ask for continuous knowledge sharing among the present and former grantees to share best practices and lessons learned; document best practices distributed; create a "directory of expertise" among SGP grantees to call upon each other for advice; develop websites and e-groups for regional groupings; and designate local focal persons.

SGP Armenia will encourage applicants to include a component for demonstration and knowledge dissemination in proposed projects. Regular short "press releases" will be prepared and disseminated in electronic and/or printed form by the grantees for updating the public on the past (successes, awards, recognitions, etc.), present and future activities. The grantees will be required to ensure continuous and open exchange of knowledge and lessons learned with other applicants. The accessibility of information will be a requirement to all SGP participants.