



ADAPTATION FUND

AFB/PPRC.36/4
15 September 2025

Adaptation Fund Board
Project and Programme Review Committee
Thirty sixth Meeting
Bonn, Germany, 7-8 October 2025

Agenda Item 4(b)

PROPOSAL FOR ARMENIA

Background

1. The Operational Policies and Guidelines (OPG) for Parties to Access Resources from the Adaptation Fund (the Fund), adopted by the Adaptation Fund Board (the Board), state in paragraph 45 that regular adaptation project and programme proposals, i.e. those that request funding exceeding US\$ 1 million, would undergo either a one-step, or a two-step approval process. In case of the one-step process, the proponent would directly submit a fully-developed project proposal. In the two-step process, the proponent would first submit a brief project concept, which would be reviewed by the Project and Programme Review Committee (PPRC) and would have to receive the endorsement of the Board. In the second step, the fully-developed project/programme document would be reviewed by the PPRC, and would ultimately require the Board's approval.

2. The Templates approved by the Board (Annex 5 of the OPG, as amended in March 2016) do not include a separate template for project and programme concepts but provide that these are to be submitted using the project and programme proposal template. The section on Adaptation Fund Project Review Criteria states:

For regular projects using the two-step approval process, only the first four criteria will be applied when reviewing the 1st step for regular project concept. In addition, the information provided in the 1st step approval process with respect to the review criteria for the regular project concept could be less detailed than the information in the request for approval template submitted at the 2nd step approval process. Furthermore, a final project document is required for regular projects for the 2nd step approval, in addition to the approval template.

3. The first four criteria mentioned above are:

- (i) Country Eligibility,
- (ii) Project Eligibility,
- (iii) Resource Availability, and
- (iv) Eligibility of NIE/MIE.

4. The fifth criterion, applied when reviewing a fully-developed project document, is:
(v) Implementation Arrangements.

5. It is worth noting that at the twenty-second Board meeting, the Environmental and Social Policy (ESP) of the Fund was approved and at the twenty-seventh Board meeting, the Gender Policy (GP) of the Fund was also approved. Consequently, compliance with both the ESP and the GP has been included in the review criteria both for concept documents and fully-developed project documents. The proposal template was revised as well, to include sections requesting demonstration of compliance of the project/programme with the ESP and the GP.

6. At its seventeenth meeting, the Board decided (Decision B.17/7) to approve "Instructions for preparing a request for project or programme funding from the Adaptation Fund", contained in the Annex to document AFB/PPRC.8/4, which further outlines applicable review criteria for both

concepts and fully-developed proposals. The latest version of this document was launched in conjunction with the revision of the Operational Policies and Guidelines in November 2013.

7. Based on the Board Decision B.9/2, the first call for project and programme proposals was issued and an invitation letter to eligible Parties to submit project and programme proposals to the Fund was sent out on April 8, 2010.

8. The following fully-developed project document titled “Enhancing Resilience of Communities to Climate Change in Shirak Marz Leveraging Best Practices of the Pilot Project Implemented in Artik Community” was submitted for Armenia by the Environmental Project Implementation Unit (EPIU), which is a National Implementing Entity of the Adaptation Fund.

9. This is the fifth submission of the fully-developed project proposal using the two-step submission process.

10. It was first submitted as a project concept in the forty-second meeting and was endorsed by the Board. The Board decided:

(a) To endorse the concept note as supplemented by the clarification responses provided by the Environmental Project Implementation Unit (EPIU) to the request made by the technical review;

(b) To request the secretariat to notify EPIU of the observations in the review sheet annexed to the notification of the Board’s decision, as well as the following issue;

(i) The fully-developed proposal should clarify how the project will create synergies and avoid duplications whenever possible;

(ii) The fully-developed proposal should further refine the projects results framework strengthening and consistently aligning with the Fund level outcomes and outputs;

(iii) The fully-developed proposal should clarify the institutional and financial arrangements put in place to ensure the sustainability of the proposed measures;

(iv) The fully-developed proposal should include a comprehensive environmental and social risk screening, including all direct and indirect risks which will need to be further substantiated;

(v) The fully-developed proposal should provide justification on the envisaged implementation arrangements through the endorsement letter of the Designated Authority;

- (c) *To approve the project formulation grant of US\$ 45,000;*
- (d) *To request EPIU to transmit the observations under subparagraph (b) to the Government of Armenia;*
- (e) *To encourage the Government of Armenia to submit, through EPIU, a fully-developed project proposal that would also address the observations under subparagraph (b) above.*

(Decision B.42/14)

11. The current submission was received by the secretariat in time to be considered in the forty-fifth Board meeting. The secretariat carried out a technical review of the project proposal, assigned it the diary number AF00000368, and completed a review sheet.

12. In accordance with a request to the secretariat made by the Board in its 10th meeting, the secretariat shared this review sheet with EPIU, and offered it the opportunity of providing responses before the review sheet was sent to the PPRC.

13. The secretariat is submitting to the PPRC the summary and, pursuant to decision B.17/15, the final technical review of the project, both prepared by the secretariat, along with the final submission of the proposal in the following section. In accordance with decision B.25.15, the proposal is submitted with changes between the initial submission and the revised version highlighted.



ADAPTATION FUND

ADAPTATION FUND BOARD SECRETARIAT TECHNICAL REVIEW OF PROJECT/PROGRAMME PROPOSAL

PROJECT/PROGRAMME CATEGORY: Regular Size Full Proposal

Country/Region: Republic of Armenia
Project Title: Enhancing resilience of communities to climate change in Shirak Marz leveraging best practices of the pilot project implemented in Artik community
Thematic Focal Area: Urban Development
Implementing Entity: "Environmental Project Implementation Unit" State Agency (EPIU)
Executing Entities: "Environmental Project Implementation Unit" State Agency (EPIU)
AF Project ID: AF00000368
IE Project ID: **Requested Financing from Adaptation Fund (US Dollars):** 4,472,630
Reviewer and contact person: Ahmad Ghosn **Co-reviewer(s):**
IE Contact Person:

<p>Technical Summary</p>	<p>“Enhancing resilience of communities to climate change in Shirak Marz leveraging best practices of the pilot project implemented in Artik community” aims to “enhance the resilience of Artik, Ani and Ashotsk communities in the Shirak Marz region of Armenia to climate change impacts”. This will be done through the three components below:</p> <p><u>Component 1:</u> Restoration, management, and increase of adaptation potential of natural landscapes of the area affected by climate change and anthropogenic factors (USD 2,961.320);</p> <p><u>Component 2:</u> Prevention and management of floods (USD 800,000);</p> <p><u>Component 3:</u> Raising awareness and knowledge level of population for the management of stone pit wastes and floods (USD 300,000).</p> <p><u>Requested financing overview:</u> Project/Programme Execution Cost: USD 60,920 Total Project/Programme Cost: USD 4,122,240 Implementing Fee: USD 350,390 Financing Requested: USD 4,472,630</p>
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	<p>The initial technical review raises several issues, such as revising document content to align with AF template and for clarity/consistency of presented material, etc.; adding project overall objective and indicating AF strategic objectives/ outcomes supported by the project; providing details on project activities to substantiate concreteness and allocated budgets; revising project overall benefits with focus on quantification; adding other relevant national plans; providing more details on related projects; inclusion of consultation process details as per AF ESP and GP requirements; revising the AF E&S checklist and specifying the project overall risk category; clarifying if an ESIA (including ESMP) was conducted; revising arrangements for project management, M&E plan and budget, and E&S risks management; revising budget to reflect allocations at activity level along with related notes; inclusion of AF impact core indicators and allocating grant amounts at AF RF outcome/ output levels; among others as discussed in the Clarification Requests (CRs) and Corrective Action Request (CARs) raised in the review.</p> <p>The second technical review found that several of the CRs and CARs raised in the first review were adequately addressed. However, few others warrant further clarification, such as: specifying the AF outcomes supported by the project; revising components description layout for clarity; quantifying project benefits where possible; adding related completed projects and dates; providing more clarification on the consultations; providing detailed budget notes; considering adding the AF core impact indicator “Natural Assets Protected or Rehabilitated” as it seems to be relevant; revising the project “Alignment with AF RF”, among others as indicated in the comments and notes of the review.</p> <p>The third technical review found that the CARs and CRs indicated in the second review are satisfactorily addressed, except for one CAR related to the project alignment with the AF results-based management, core indicators and monitoring and evaluation issues as indicated in the review comments below.</p> <p>The fourth technical review finds that almost all CARs and CRs of the third review have been addressed, <u>except for</u> reflecting M&E reports and costs in related tables of Part IIID, ensuring consistency of core indicator "Natural Assets Protected or Rehabilitated" targets with project results framework, and a minor editing for the disbursement schedule.</p> <p>The fifth technical review finds that the outstanding CARs and CRs have been cleared.</p>
Date:	8th September 2025

Review Criteria	Questions	Comments 1st Review 10 February 2025	Comments 2 nd Review 15 July 2025	Comments 3 rd Review 11 August 2025	Comment 4 th Review 04 September 2025	Comment 5 th Review 8 th September 2025
Country Eligibility	1. Is the country party to the Kyoto Protocol	Yes.	-	-	-	-

	and/or the Paris Agreement?					
	2. Is the country a developing country particularly vulnerable to the adverse effects of climate change?	Yes. Armenia has been experiencing rising temperatures that resulted in the shrinking of glaciers in mountain regions, increased frequency of severe floods due to accelerated snowmelt and erratic rainfall patterns, among others.	-	-	-	-
Project Eligibility	1. Has the designated government authority for the Adaptation Fund endorsed the project/program me?	Yes. As per the endorsement letter dated 18 August 2023.	-	-	-	-
	2. Does the length of the proposal amount to no more than One hundred (100) pages for the fully-developed project document, and one hundred (100) pages for its annexes?	No. Proposal exceeds 100 pages, and some annexes may need to be added (e.g.: ESIA/ ESMP). Some discussions are also misplaced, and contents do not fully comply with AF format/ requirements, among other issues indicated below.	CR1: Not fully Cleared. Please address the following:	CR1: Cleared. See pp. 3-4, and Table 1, p. 14.	-	-

	<p>CR1: Please address the following:</p> <ol style="list-style-type: none"> 1. Add table of contents, and lists of abbreviations, tables and figures. Spell out abbreviations when first used and refer to figures, tables, annexes at related discussion. 2. On page 1, add the proposal last submission date. 3. Ensure that all tables and figures are numbered and with appropriate headings and reflect in related lists. 4. Continue page numbering after page 84. 5. Move Part IV after Part III and include related documents. Other annexes will follow. 6. Another round of editing/ proofreading is recommended. <p>CR2: The discussions on “International</p>	<ol style="list-style-type: none"> 1. Add lists of Tables and figures. 2. Table 1: Theory of Change does not fully appear on p.13. 3. Revise Table of contents to reflect all sections. 4. Another round of editing is needed to improve the readability and layout/formatting of the document <i>(Note: Using font Ariel 11, can help reduce document length, excluding table of contents & lists of abbreviation s/tables/ figures).</i> 	<p>Note: Please reflect lists of tables & figures in the table of contents, and move section A, p. 19 in the table of contents to Part II.</p>		
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		<p>partnership and reporting framework”, “National strategies”, “National Adaptation Planning” (pp. 8-10) fit more under Part IID.</p> <p>CAR1: On p. 10, under “Project/ Programme Objectives”, provide a statement of the project overall objective, followed by listed “specific” objectives and ensure that the specific objectives align with the project components outcomes. A suggested overall objective would be: <i>“to enhance the resilience of Artik, Ani and Ashotsk communities in the Shirak Marz region of Armenia to climate change impacts”</i>. Also, include a brief paragraph that indicates the AF objectives/ outcomes supported by the project.</p> <p>CR3: For the discussion on the theory of change, limit the discussion to the material presented on pages 11 and 12 under at the subheading</p>	<p>CR2: Cleared. See pp. 45-46.</p> <p>CAR1: Not fully Cleared. 1. In the paragraph under “Alignment with the Adaptation Fund’s objectives and outcomes”, p.13, clearly specify AF</p>	<p>-</p> <p>-</p> <p>CAR1: Cleared. See pp. 12-13 and Table 2, pp. 16-18.</p>	<p>-</p> <p>-</p> <p>-</p>	
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		<p>“Project Theory of Change”, and give figure number and heading the TOC diagram. No need to discuss the components details just list them along with their associated outcomes in the introductory paragraph of the theory of change subheading. Detailed components description would be provided under Part IIA.</p>	<p>outcomes supported by the project (Outcomes 1,4,5,6,8) as indicated in Part III F.</p> <p>2. In Table 2, pp. 15-18, provide allocated amounts for components 2&3 at output level.</p>	-		
	<p>3. Does the project / programme support concrete adaptation actions to assist the country in addressing adaptive capacity to the adverse effects of climate change and build in climate resilience?</p>	<p>Yes. See Part IIA, pp. 18-26.</p> <p>Concrete actions include restoration of natural/ agricultural landscapes, creation of forest cover, creation sowing areas for perennial plants and introduction of infrastructure for piloting high value agricultural</p>	<p>CR3: Cleared.</p>			-

		<p>models. However, more details on the components' activities are needed, among other issues indicated below.</p> <p>CAR2: In the description of components in Part IIA, include component number and title followed by related outcome/s, output/s and activities under each output. Provide details on the activities under each output to demonstrate the size/amount of work involved and substantiate the allocated budget.</p>	<p>CAR2: Not Cleared.</p> <p>1. <u>Revise components description layout as requested.</u> In this respect, note that on p.21 "component 1 number and title" is repeated and should be Outcome1 instead as stated in Project Financing Table2, pp.15-18 (same applies to the outcomes of components 2 &3, on pages 24&25). Apparently, in this project each output covers one activity only</p>	<p>CAR2: Cleared. See Part IIA, pp. 19-27.</p>		
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		<p>CR4: The discussion under “Operational arrangements”, pp. 24-26 is out of context in Part IIA. Move to Part IIIA.</p>	<p>(See <i>Guidance Note</i> below for reference).</p> <p>2. On p.20, revise/delete the paragraph “<i>In the current phase of the Concept Note.....and sustainable agricultural practices</i>”. This is full proposal stage.</p> <p><u>Guidance Note to the IE: The outputs read as activities. Note that the project structure/ design usually includes:</u> <i>i) Objective; ii) Specific objectives that would align with components outcomes; iii) Components; iv) Outcome/s</i></p>	<p>CR4: Cleared. - See Figure 1, p. 66.</p>		
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			<p><u>under each component - typically one outcome, but could be more than one in some cases and would reflect the specific objectives; v) Output/s under each outcome - typically 1-3 outputs depending on the number of activities undertaken and size of the project; and vi) Activities under each output (usually includes a number of activities), discussed in detail to substantiate allocated budgets.</u></p> <p>CR4: Not fully Cleared. Move Figure 1. "Organigram of the Project implementation</p>			
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			from page 30 to the end of Part IIIA, p. 72.			
	<p>4. Does the project / programme provide economic, social and environmental benefits, particularly to vulnerable communities, including gender considerations, while avoiding or mitigating negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p>	<p>Yes.</p> <p>See Part IIB, pp. 27-33. However, the discussion layout needs to be revised to concisely reflect overall project benefits, quantified where possible (e.g.: beneficiaries, size of rehabilitated land, jobs created, economic returns) and measures to avoid possible maladaptation risks, under dedicated headings. No need to present details at output level (only summarize key issues). This would enhance clarity/ focus of the discussion and save space to meet the proposal document limit (100 pages). Also make reference to the gender assessment and action plan annexes.</p> <p>CR5: Revise the discussion to reflect the project overall benefits</p>				

CR5: No fully Cleared.
In Part IIB (Table 4), add/ mention

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		<p>(environmental, social, economic), <u>quantified where possible (no. of beneficiaries, size or rehabilitated land, potential jobs created, economic returns, etc.)</u>, and measures to avoid negative development/maladaptation risks, under dedicated headings. No need to detail at output level in this section (only key issues could be summarized under the above-mentioned headings).</p> <p>CR6: Make reference to the gender assessment and action plan annexes along with a brief paragraph to indicate that gender issues/ benefits are considered in the project.</p>	<p>no. of beneficiaries under social benefits; area / size of rehabilitated land under environmental benefits, etc. Estimate, if possible, economic benefits due to improved agricultural practices. Most of the above information can be extracted from Part IIA outputs description.</p>	<p>CR5: Cleared. See Part IIB, pp. 28-31.</p>	-	
	5. Is the project / programme cost effective?	<p>Yes. See Part IIC, pp. 33-45. However, discussion is too lengthy and could be more focussed.</p>				-

		<p>CR7: Remove column 5 “Benefits” of the table, as benefits are discussed in Part IIB, revise other entries to be brief/ concise, and include cost comparison figures, as available. Add table number and heading based on the above.</p>	<p>CR7: Cleared. See pp. 36-42.</p>	-	-	
	<p>6. Is the project / programme consistent with national or sub-national sustainable development strategies, national or sub-national development plans, poverty reduction strategies, national communications and adaptation programs of action and other relevant instruments?</p>	<p>Yes. See Part IID, pp. 45-48. However, the national plans for UNCBD & UNCCD could be relevant. Also, see CR2.</p> <p>CAR3: The project intervention involves rrestoration/ rehabilitation of natural/ agricultural landscapes. This implies potential relevance of national plans under UNCBD and UNCCD. Double check/ add. <u>Also, see CR2 above.</u></p>	<p>CAR3: Cleared. <i>Based on IE response which indicated that no relevance was identified.</i></p>	-	-	-
	<p>7. Does the project / programme meet the relevant</p>	<p>Yes. See Part IIE, pp. 48-53.</p>	-	-	-	-

	national technical standards, where applicable, in compliance with the Environmental and Social Policy of the Fund?					
	8. Is there duplication of project / programme with other funding sources?	<p>No. See Part IIF, pp. 53-56. However, more details are needed.</p> <p>CAR4: Present in tabulated form all relevant On-going and completed projects, indicating project title and implementing entity, status (on-going, completed) with dates, related complementarities/ lessons learned and how these will/ are utilized/ addressed/ coordinated in the project.</p>	<p>CAR4: Not fully Cleared.</p> <ul style="list-style-type: none"> • Add dates of “Land Restoration and Ecosystem Service Improvement through Use of Fruit and Nut Tree Biodiversity in Armenia” project. • Add related completed projects and dates. The project itself is leveraging the best practices of 	<p>CAR4: Cleared. See Part IIF, pp. 45-51.</p>	-	-

		<p>CR8: The paragraphs on p. 56 starting with “The following key recommendation...” to end of page read out of context in Part IIF. Utilize at other relevant sections or delete.</p>	<p><u>the pilot project implemented in Artik community. Add this project, and other related completed projects, if any.</u></p>	-	-	
	<p>9. Does the project / programme have a learning and knowledge management component to capture and feedback lessons?</p>	<p>Yes. See Part IIG, pp.56-59. However, see comment below.</p> <p>CR9: The discussion under Part IIG, pp. 56-59, describes what is missing in component 3 description (see CAR2 above). Move the discussion to component 3 and include number of workshops, ToT, etc. In part IIG, you can refer to component 3 and provide one page of its key activities.</p>	<p>CR9: Cleared. See Part IIG, pp. 57-58, and component 3 description, pp. 25-29.</p>	-	-	-
	<p>10. Has a consultative process taken place, and has it</p>	<p>Not clearly reflected.</p>				-

	<p>involved all key stakeholders, and vulnerable groups, including gender considerations in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p>	<p>See Part IIH, pp. 59-61, and Annex III. More details needed.</p> <p>CAR5: Provide a summary table (supported by a related specific annex) for the consultations conducted with the key stakeholders and target local communities. The table should include consultations dates, consulted entities/ local communities, participants number disaggregated by gender, topics discussed and outcomes, and how these outcomes are considered in project design.</p> <p>CR10: Move the discussion on E&S risks, pp. 60-61 to Part</p>	<p>CAR5: Not fully cleared. In Table 8, include columns to briefly indicate the topics discussed in each consultation and the outcomes (and how these outcomes are considered in project design. Also, include in Part IIIH a brief paragraph to clarify who represented local communities/ beneficiaries and how their views were solicited, and indicate if further consultation with the communities will be conducted during project implementation.</p> <p>Note: On p. 58, reference is</p>	<p>CAR5: Cleared. See Part IIH, pp. 52-55.</p>	<p>-</p> <p>-</p>	
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		IJK and utilize/ incorporate as relevant.	made to Annex III for Consultation. Please revise to refer to Annex IV. CR10: Cleared.			
	11. Is the requested financing justified on the basis of full cost of adaptation reasoning?	Yes. See Part II"l", pp. 61-64.	-	-	-	-
	12. Is the project / program aligned with AF's results framework?	Yes. See related notes/ comments under item 9 of the "Implementation Arrangements" criteria of the review sheet.	-	-	-	-
	13. Has the sustainability of the project/program me outcomes been taken into account when designing the project?	Yes. See Part IIJ, pp. 64-67. CR11: Please briefly clarify the sustainability of operation and maintenance aspects for the infrastructures, facilities, etc. to be developed by the project.	CR11: Cleared. See Part IIJ p. 66.	-	-	-
	14. Does the project / programme provide an overview of environmental	Not clearly presented. See Part IJK, pp. 68-76. CR12: The AF E&S check list table just before Part IIID (page	CR12: Cleared.	-	-	-

	<p>and social impacts / risks identified, in compliance with the Environmental and Social Policy and Gender Policy of the Fund?</p>	<p>number missing) contradicts Part IIK AF checklist regarding “no further assessment”/ “further assessment” need. Also, Part IIIC also refers to further assessments to be conducted. Align these in the requested AF E&S checklist in Part IIK and remove Part IIID table mentioned above.</p> <p>CR13: Is “the Detailed analysis of Environmental and Social impacts and risks” discussion, pp. 71-76, based on an ESIA outcomes? If so, refer to/ attach related annex. Indicate the risks (in brief bullets) in the AF E&S checklist, as applicable, and refer to the annex where relevant. Summarize the same in Part IIIC. No need to present details in Part IIK.</p> <p>CAR6: Revise the AF checklist in Part IIK clearly indicate whether further “no further assessment” or “further assessment” is needed,</p>	<p>CR13: Cleared.</p> <p>CAR6: Cleared. However, Please provide in the introductory paragraph of</p>	<p>-</p> <p>CAR6: Cleared. See p. 60.</p>	<p>-</p> <p>-</p>	
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		include risks and discuss measures to be taken to ensure compliance with AF principles in both cases. Also, provide a paragraph to indicate the overall project risk category as per AF classification (e.g.: A, B, C) and refer to the ESIA/ESMP and gender assessment and action plan in the checklist, as relevant, and in dedicated brief paragraph/s outside the checklist.	Part IIK a statement that indicates the overall project risk category as per AF classification (i.e., Category B as indicated in Part IIE and Part IIIC). Note: overall project risk category is usually mentioned in Part IIK.			
Resource Availability	1. Is the requested project / programme funding within the cap of the country?	Yes.	-	-	-	-
	2. Is the Implementing Entity Management Fee at or below 8.5 per cent of the total project/programme budget before the fee?	Yes. The implementing entity fee (USD 350,390) constitutes 8.5% of the total project cost (USD 4,122,240).	-	-	-	-
	3. Are the Project/Program	Yes. The execution costs (USD 60,920)	-	-	-	-

	me Execution Costs at or below 9.5 per cent of the total project/programme budget (including the fee)?	constitute 1.5% of total project cost (USD 4,122,240). <u>Note:</u> the implementing entity serves as the executing entity.				
Eligibility of IE	1. Is the project/programme submitted through an eligible Implementing Entity that has been accredited by the Board?	Yes. The Environmental Project Implementation Unit (EPIU) is a national AF accredited entity. <u>Accreditation Expiration Date: 01 March 2028</u>	-	-	-	-
Implementation Arrangements	1. Is there adequate arrangement for project / programme management, in compliance with the Gender Policy of the Fund?	Incomplete. See Part IIIA, pp.77-78. The discussion under “Operational arrangements”, in Part IIA, pp. 24-26 could be utilized, among other information as needed. CAR7: 1. Revise Part IIIA to Include all project management/ implementation arrangements. Also see CR4 above. 2. Include endorsement letter and <u>signed</u> implementing entity	CAR7: will be cleared upon addressing CR4 above: “<u>Move Organigram of the Project implementation</u>” figure from page 30 to the end of <u>Part IIIA</u>”.	CAR7: Cleared. See Figure 1, p. 66, and Cleared CR4 above.	-	

		certification in Part IV of the proposal document and before the annexes.				
	2. Are there measures for financial and project/program me risk management?	Yes. See Part IIIB pp. 78-81.	-	-	-	-
	3. Are there measures in place for the management of environmental and social risks, in line with the Environmental and Social Policy and Gender Policy of the Fund?	<p>Not Clearly Presented. See Part IIIC, pp. 81-94.</p> <p>CAR8: The discussion on pp. 48-49 of Part IIE, indicates that AF requires ESIA and ESMP for category B overall risk projects, which is true. Also, Part IIIC discussion refers to an ESMP but does not clarify the assessment based on which this ESMP was developed. Has an ESIA been conducted along with the mentioned ESMP? If yes, please attach as an annex, refer to it in Part IIK AF Check list and reflect in a concise summary in Part IIIC. If not, provide, as required.</p>	<p>CAR8: Cleared. An Annex has been attached and ESIA/ ESMP is reflected in Part IIIC, pp. 75-83).</p>	-	-	

		<p>CR14: delete the discussion on categorizing risks per output, pp. 81-84, as it is already mentioned in the table below it (provide table heading and number). Make sure that the indicated risks in this table, in the summary ESMP table below it, and in part IIK are consistent.</p> <p>CAR9: In Part IIIC, please address/ clarify the following:</p> <ol style="list-style-type: none"> 1. Briefly discuss how gender issues are addressed in the ESMP 2. Indicate the budget allocations for implementing the ESMP and ensuring compliance with AF ESP 3. Clarify whether the ESMP includes opportunities for consultation and adaptive management 4. Clarify whether a grievance mechanism (GM) is in place. Indicate 	<p>CR14: Cleared.</p> <p>CAR9: Cleared. See Part IIIC (See pp. 75-77).</p>	-	-	
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		<p>this in part IIIC along with where grievances can be addressed and refer to related annex (e.g.: ESIA/ ESMP) for further details on the GM process, if lengthy.</p>				
	4. Is a budget on the Implementing Entity Management Fee use included?	<p>Yes. See Part IIIG Table titled "IE Fee/ Oversight Costs".</p>	-	-	-	
	5. Is an explanation and a breakdown of the execution costs included?	<p>Yes. See Part IIIG "Project Execution costs" Table.</p> <p>CR15: define "Misc" item details and provide table number.</p>	<p>CR15: Not fully cleared. "contingency" is as ambiguous as "Misc.". Please specify item or the basis for "contingency"</p>	<p>CR15: Cleared. See Part IIIG, Table 22, p. 109.</p>	-	-
	6. Is a detailed budget including budget notes included?	<p>Not fully. See Part IIIG. Budget is detailed at output level.</p> <p>CAR10: Budget should be presented at activity level along with a brief note on how the activity cost is calculated/ spent.</p>	<p>CAR10: Not fully Cleared. It is apparent that each output covers one activity only. <u>However, budget</u></p>	<p>CAR10: Cleared. See Part IIIG, Table 20, pp. 97-108.</p>	-	-

			<p>notes are reflected as lumpsums and contracts with specialized companies.</p> <p><u>Budget notes should provide more details on the works to be done to clarify the basis/ how the estimated budgets for each activity was calculated based on previous and current experiences (e.g.: cost per hectare for the preparation of soil layer for forestation and for forestation; cost per hectare for creating sowing area; cost per capacity building/ awareness raising/ training event, consultant fees; manpower cost; equipment and materials;</u></p>			
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			etc.). Also delete the “Comments” column in the table (it provides no information).			
	<p>7. Are arrangements for monitoring and evaluation clearly defined, including budgeted M&E plans and sex-disaggregated data, targets and indicators, in compliance with the Gender Policy of the Fund?</p>	<p>Not Clearly presented. See Part IIID, pp. 95-97 and related comment below.</p> <p>CAR11: Move the “Monitoring and Evaluation Plan” on the pages above Part IIID to Part IIID and fill in other items from M&E budget Table. Allocate budgets to all listed items in the revised M&E plan budget table. Also, briefly discuss the added M&E items added in the revised plan if not discussed earlier. Ensure that the M&E plan includes arrangements and provisions for midterm and terminal evaluations, ESMP/ AF ESP compliance, breakdown of IE M&E supervision function, etc., and indicate M&E plan milestones.</p>	<p>CAR11: Cleared. See Part IID, pp,84-88.</p>	<p>CAR 14 (NEW): The proposed budget allocates a total of USD 40,000 for the Mid-Term Review and Final Evaluation. This represents 0.98 % of the total project cost. Kindly revise these figures in all relevant sections of the proposal to ensure that evaluation costs (i.e., baseline data report, MTR and Final Evaluation) are between 2 to 5% of the total project cost, which is the recommended range for projects of this size (see table 3 in https://www.adaptation-fund.org/wp-content/uploads/2023/10/AFB.EFC_</p>	<p>CAR14 (NEW): Not Cleared. As indicated in the detailed budget on pp. 112-113 (track change document), Baseline data report, MTR and Final Evaluation allocated amounts have been revised to add up to a total of USD 91,000, which is 2.03% of total project cost and within the recommended range. <u>However, these reports and revised allocated amounts should also be reflected in Part IIID, Table 16, p. 82. Please revise Table 16 to include the above.</u></p>	<p>CAR14 (NEW): Cleared. As per amendments to M&E Plan.</p>

			<p>32.7 Evaluation-Policy-Budget-Implication_clean.pdf).</p> <p>CAR 15 (NEW): Reference to some mandatory reporting requirements are missing from Part III.D, namely project performance reports and project completion summary (see https://www.adaptation-fund.org/projects-programmes/project-performance/). Please kindly add them.</p> <p>CAR 16 (NEW): Please kindly include a baseline report in Part III.D (please refer to p.8 of the guidance document on the updated Evaluation Policy at: https://www.adapt</p>	<p>CAR15 (NEW): Cleared. See p. 80.</p> <p>CAR16 (NEW): Cleared. See p. 80. <u>Also see CAR14 (NEW) above.</u></p>	-
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				ation-fund.org/document/evaluation-policy-of-the-adaptation-fund-graphically-edited) and ensure that it is adequately budgeted in the proposal.		
	8. Does the M&E Framework include a breakdown of how implementing entity IE fees will be utilized in the supervision of the M&E function?	To a large extent. However, see CAR11 for requested further details.	-	-	-	-
	9. Does the project/program me's results framework align with the AF's results framework? Does it include at least one core outcome indicator from the Fund's results framework?	To a large extent. See Part III E and Part III F, pp. 98-..., (page numbering missing). However, AF core indicators are not addressed among other issues indicated below. CAR16: In Part III E project results framework table, provide numbers for percentages indicated for outputs 1.2, 1.7, 1.8. CAR12: In Part III E, provide dedicated	CR16:Cleared. CAR12: Not fully addressed.	-	-	-

		<p>tables for applicable AF core impact indicators. At least the core impact indicator “Number of beneficiaries including estimations for direct and indirect beneficiaries” must be included. Other indicators should be added based on the project activities such as: i) Early Warning System; ii) Assets Produced, Developed; Improved, or Strengthened; iii) Increased income, or avoided decrease in income; or iv) Natural Assets Protected or Rehabilitated. See the below link for related AF guidance.</p> <p><u>Methodologies for reporting Adaptation Fund core impact indicators (78 kB, DOC)</u></p> <p><u>Methodologies for reporting Adaptation Fund core impact indicators (152 kB, PDF)</u></p>	<p>Core indicator on number of beneficiaries is added (no indirect beneficiaries). <u>The AF core impact indicator “Natural Assets Protected or Rehabilitated” seems to be applicable/ relevant.</u> Component 1 “Restoration, management, and increase of adaptation potential of natural landscapes of the area affected by climate change and anthropogenic factors (USD 2,961.320) seem to be closely related; please consider adding a related dedicated core impact indicator table.</p>	<p>impact indicator “Natural Assets Protected or Rehabilitated” has been added. See pp. 91-92.</p>		
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		<p>CAR13: In Part IIIF “Alignment with AF RF”, distribute grant amounts at AF outcome and output levels, as applicable.</p>	<p>CAR13: Not fully cleared. The “alignment with AF results framework” table top part add Outcome 4 as it is indicated output level. Also, include related allocated amount for each of the outcomes (this can be extracted from the allocated amounts at AF output level). Totals at outcome and output level should logically match.</p>	<p>CAR13: Not Cleared. The alignment table provided in part III.F must be revised in accordance with the guidance provided in Annex 5 of the OPG (refer to the example on p.16). More specifically:</p> <ul style="list-style-type: none"> - <u>Upper section of the table:</u> i) content from the "Project Objective(s) Indicator(s)" column should be replaced by the five project objective indicators listed in the project results framework, noting that a project objective may be associated with one or more project objective indicator, as necessary; ii) for each project 	<p>CAR13: Cleared. See Table 19, pp. 96-100.</p>	-
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			<p>More importantly, the allocated amounts at AF output level should be indicated for each AF output, not a lump sum for several AF outputs (e.g.: the USD 800,000 should be distributed among outputs 1.1, 4 and 6). Also, the AF outcome 8 indicator at output level as appropriate in the lower part of the table (e.g.: 8.1. <i>No. of innovative adaptation practices, tools and technologies accelerated, scaled-up and/or replicated; or 8.2. No. of key findings on effective, efficient adaptation</i></p>	<p>objective listed, select only the most relevant Fund Outcome and enter it in the "Fund Outcome" column;</p> <p>iii) select only the most relevant matching Fund Outcome Indicator for each Fund Outcome selected and enter it in the "Fund Outcome Indicator" column; and</p> <p>iv) input the grant amount for each Fund Outcome in the column "Grant Amount (USD)", ensuring that the total equals the project activity cost, i.e. USD 4,061,320;</p> <p>- <u>Lower section of the table:</u> i) kindly add the three Outcome numbers (i.e., 1, 2 and 3) in the "Project Outcome(s)"</p>	
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			<p><i>practices, products and technologies generated).</i></p>	<p>column; ii) for each of the three Outcome listed, please enter the outcome-level indicators only in the "Project Outcome Indicator(s)" column (e.g., "N of ha of land rehabilitated and with increased adaptation capacity" for outcome 1); iii) for each outcome indicator, select only the most relevant corresponding Fund Output and enter it in the "Fund Output" column; and iv) choose only the most relevant corresponding Fund Output Indicator for each Fund Output, and enter it in the "Fund Output Indicator" column.</p> <p>Lastly, for consistency, please ensure that</p>	<p>CAR17 (NEW): Cleared. See Part III E, Table 17, p. 83, and Table 18, pp. 92-93.</p> <p>CR17 (NEW): Cleared. See Table 17, p. 83. See also IE response.</p>	-
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				<p>all Fund Outcomes associated with the listed Fund outputs in the lower section of the table are reflected in the upper section of the table.</p> <p>CAR17 (NEW): As raised in the separate CAR on core indicators table, the proposal should make an effort to disaggregate the direct and indirect beneficiaries by youth (age 15-24).</p> <p>CR17 (NEW): As indicated in the baseline column, the pilot Project “Artik city closed stone pit waste and flood management pilot project” has reached 15,000 direct beneficiaries out of which 60% are women. Although expanding its scope (47,000</p>	<p>CR18 (NEW): Cleared. See p. 84. The sum of targets for outputs 1.1, 1.3, 1.4, 1.6, 1.7, and 1.8, is 1,990 ha. Outcome 1 indicator is revised accordingly.</p>	-
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				<p>direct beneficiaries), the proposed project would target a lower proportion of women (40%). Please clarify why the proportion of direct beneficiaries targeted seem lower for the proposed project compared to the pilot project.</p> <p>CR18 (NEW): Although the outcome 1 indicator (Land rehabilitated and with increased adaptation capacity) has a target of 1,665 ha, the sum of targets for outputs 1.1, 1.3, 1.4, 1.6, 1.7, 1.8 equals 2,2010 ha. Please kindly clarify this discrepancy and revise the targets as necessary to ensure consistency across targets set at outcome level, and</p>	<p>CAR18 (NEW): Cleared. See Table 18, pp. 92-95.</p> <p>CAR19 (NEW): Not cleared. See Table 18, pp. 92-95.</p> <p>Please ensure the consistency of the targets in the core indicators of Table 18 with those of the results framework, particularly for the</p>	<p>-</p> <p>CAR 19 (NEW): Cleared. As per amendments to core indicator tables.</p>
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				<p>those set at output level.</p> <p>CAR18 (NEW): While the "Adjusted target first year of implementation" and "Actual at completion" must not be filled out at submission stage, the "Baseline" and "Target at project approval" columns of table 18 must be duly completed for both direct and indirect beneficiaries, ensuring that the figures provided align with those included in the project results framework. In addition, an effort should be made to disaggregate the direct and indirect beneficiaries by youth (age 15-24).</p> <p>CAR19 (NEW): Given the nature of the proposed interventions, please kindly add</p>	<p><u>"Natural Assets Protected or Rehabilitated"</u> (target for number of ha should be 1990 as indicated in the results framework). See also CR18 (NEW) above.</p>	
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				<p>in Part III.E Core Indicators table(s) available on pp.10-14 of the document "Methodologies for reporting Adaptation Fund core impact indicators", for "Assets Produced, Developed, Improved, or Strengthened" and "Natural Assets Protected or Rehabilitated". Kindly ensure that "Baseline" and "Target at project approval" columns are duly completed in the respective tables, and that the figures provided align with those included in the project results framework.</p>		
	<p>10. Is a disbursement schedule with time-bound milestones included?</p>	<p>Yes. See Part IIIH.</p> <p>CR17: Provide table heading and number, and milestones of disbursements (e.g.: Year1: upon contract signature; Year 2: upon</p>	<p>CR17: Cleared. See Part IIIH, Table 23, p.107. However, <u>please change section to "H" instead of "A"</u>.</p>	<p>CR17 (re-opened_ Corrigendum): Please remove references to (e.g.: Year1: upon contract signature; Year 2: upon</p>	<p>CR17: Cleared. <u>However, please do the below revisions to better align disbursement Table 23 with AF template:</u></p>	<p>CR17: Cleared. As per amended disbursement schedule.</p>

		<p>delivery of yearly report/ mid-term report, etc.).</p>		<p>delivery of yearly report/ mid-term report, etc.) from the header, as per the template it should only be "Year 2, year 3 and Year 4".</p> <p>Please <u>change disbursement schedule section letter numbering to "H"</u> instead of "A".</p>	<ol style="list-style-type: none"> 1. Delete the row "Total Project cost" (under project execution costs). 2. Change last row's title to "<u>Total</u>" instead of "Total Project/ Programme Cost". 3. Delete the footnote under Table 23. 	
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FULLY DEVELOPED PROPOSAL FOR SINGLE COUNTRY

PART I: PROJECT/PROGRAMME INFORMATION

Title of Project/Programme: Enhancing resilience of communities to climate change in Shirak Marz leveraging best practices of the pilot project implemented in Artik community

Country: Republic of Armenia

Thematic Focal Area:

Type of Implementing Entity: National Implementing Entity

Implementing Entity: "Environmental Project Implementation Unit" State Agency

Executing Entities: "Environmental Project Implementation Unit" State Agency

Amount of Financing Requested: **4,472,630** (in U.S Dollars Equivalent)

Letter of Endorsement (LOE) signed: Yes No

Stage of Submission:

This proposal has been submitted before including at a different stage (**concept**, fully-developed proposal)

This is the first submission ever of the proposal at any stage

In case of a resubmission, please indicate the last submission date: 9/9/2025

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LIST OF ACRONYMS

Abbreviation	Full Form
AF	Adaptation Fund
AFB	Adaptation Fund Board
CSO	Civil Society Organization
EPIU	Environmental Project Implementation Unit
ESIA	Environmental and Social Impact Assessment
ESMP	Environmental and Social Management Plan
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
GRM	Grievance Redress Mechanism
ICARE	International Center for Agribusiness Research and Education
IE	Implementing Entity
M&E	Monitoring and Evaluation
NC	National Communication
PPR	Project Progress Report
RoA	Republic of Armenia
USD	United States Dollar
USAID	United States Agency for International Development
PMU	Project Management Unit
TWGs	Technical Working Groups
NIE	National Implementing Entity
CAM	Corrective Action Mechanism
AOP	Annual Operating Plan
QSRs	Quarterly Status Reports
AMR	Annual Management Report
PSC	Project Steering Committee
PAC	Project Advisory Committee

Project/Programme Background and Context:

Country overview

Armenia is a land-locked country within the Caucasus region between Europe and Asia. Most of the country is at high altitude (greater than 1,000 meters above sea-level), including a freshwater Lake Sevan, with a surface area of 1,279 km² and the Seven River Basin with a surface area of 4,721 km², spans approximately one sixth of the nation's total land area. As of 2022, Armenia's population was estimated at 2.78 million people¹ and its GDP at \$ 19.5 billion². Around one third of the nation's population lives in its capital city, Yerevan³.

Over the past decade, Armenia has transitioned from an industry-dominated to a service-dominated economy. As of 2016, the service sector constituted 48.8% of the labour force. Agriculture remains a major employer with a labour market share of 35.3% and there remains a relatively high rate of unemployment (18%) as well as net out-migration. GDP is distributed less evenly than employment, with around 52,8% originating in the service sector, 26,64% in the industry and only 11,34% in agriculture. Poverty persists, affecting around 26,5% (2021 data) of the population based on the national poverty line⁴.

Climate baseline

Overview

Armenia's climate can be described as highland continental, with large variation between summer highs (June to August) and winter lows (December to February). The country also experiences large climatic contrasts because of its intricate terrain, and the climates range from arid to sub-tropical and to cold, high mountains. Summer highs in Armenia's capital Yerevan average around 30°C–33°C while the average in winter is 1°C–3°C. The more mountainous regions experience lower average temperatures and prolonged periods of snow cover. The average annual precipitation is low at 526 mm. Precipitation intensity is greater in Armenia's high-altitude regions with May and June the wettest months. For Armenia, altitude is the strongest controlling factor determining the spatial distribution of temperatures and precipitation in Armenia. Sub-zero average temperatures are common in Armenia's mountain ranges while its highest average temperatures are experienced in the relatively low-lying western plains. Similarly, Armenia's highest peaks may receive up to 1,000 mm of annual precipitation while precipitation can be as low as 200 mm in the western plains.

Due to the sharply intersected relief and the development of the slope processes, Armenia is characterized by active external processes. High frequency and magnitude of hazardous hydrometeorological phenomena (HHP) are characteristic for Armenia, which trigger droughts, landslides, mudslides, forest fires etc. and inflict significant losses to the population and the economy⁵.

Key trends

Temperature - Armenia's NC4 reports that it experienced an average temperature rise of 1.23°C between 1929–2016. This historical rise in temperatures has resulted in the rapid shrinking of the glaciers in Armenia's mountain regions, with spatial extents retreating at around 8 m per year. Trends suggest climate variability is increasing and in 2018, Yerevan experienced a new record July temperature, reaching 42°C.

Precipitation - Armenia's NC4 reported a 10% reduction in average annual precipitation volume was documented over the period 1935–2012. The spatial distribution of precipitation changes is irregular: the northeast and central

¹ World Bank data portal - [Armenia](#)

² World Bank data portal - [Armenia](#)

³ [Republic of Armenia – Fourth National Communication on Climate Change to the UNFCCC](#)

⁴ ["Armenia – Country Risk Climate Profile"](#), joint publication by World Bank and Asian Development Bank, 2021

⁵ [National Action Program of Adaptation to Climate Change and the List of Measures for 2021–2025](#)

regions have become more arid. However, precipitation has increased in the southern and northwestern regions and in the western region of the lake Sevan basin. Additionally, the number of days with heavy rainfall and hailstorms has increased.

Climate future

Temperature

The model ensemble's⁶ estimate of average warming in Armenia under the highest emission pathway is an average temperature increase of 2.8°C by the 2050s and 5.8°C by the 2090s. Ensemble estimates of warming under the lowest emission pathway also present an average temperature increase of 1.2°C by the 2050s and maintain through the end of the century. Both of these temperature increases represent greater rates of increase than the global average. By the 2090s, temperatures are projected to have increased around 35% to 40% higher than the global average. Under all scenarios, except for the lowest emission pathway, the number of summer days is expected to increase, and the number of frost and ice days are expected to fall dramatically by the end of the century.

In the case of Armenia, the rate of warming in maximum temperatures, is 5.8°C by the 2090s, which is notably faster than the warming in monthly average temperature. This points towards an increase in the intensity of temperature extremes and is among the some of the largest margins of warming projected anywhere on Earth. The seasonality of future temperature changes holds some uncertainty on lower emissions pathways. However, projected warming is strongest in the summer months from June to September. The months of July, August, and September are projected to see around 50% faster warming than the winter months from November to April under the highest emissions pathway.

Precipitations

While considerable uncertainty surrounds long-term projections in regional precipitation trends, global trends are evident. The intensity of sub-daily extreme rainfall events appears to be increasing with temperature, a finding supported by evidence from different regions of Asia. However, as this phenomenon is highly dependent on local geographical contexts further research is required to constrain its impact in Armenia. For Armenia, additional uncertainty remains around future changes in average annual precipitation, as well as for changes in seasons. Model ensemble estimates are not statistically significant across all emissions pathways. However, the trend indicated, which is consistent with historical climate behavior and most models, is towards a decline in average monthly precipitation. Under all emissions pathways, an increase in the precipitation associated with a maximum 5-day rainfall event is expected more predominantly in the northern and eastern areas of Armenia. Under all emissions pathways, precipitation reductions are projected in the western regions, and under lower emissions pathways reductions are also expected in the arid northern regions. These changes match global trends, which suggests the intensity of sub-daily extreme rainfall will increase as temperatures increase, a finding supported by evidence from different regions of Asia.

Climate related natural hazards

Armenia faces significant disaster risk levels and is ranked 101 out of 191 countries by the 2019 Inform Risk Index. This ranking is driven strongly by the exposure component of risk. Armenia has high exposure to natural hazards, including, riverine, flash, and coastal, and very high exposure to tropical cyclones and their associated risks. Drought exposure is also significant. Disaster risk in Armenia is elevated due to its moderate levels of social vulnerability and the country's decent coping capacity. The risks of disasters resulting from these drivers are likely to increase as the severity and frequency of extreme climate event increases. In recent decades the annual number of events

⁶ Climate projections referred are derived from datasets available through the WB's Climate Change Knowledge Portal. These datasets are processed outputs of simulations performed by multiple General Circulation Models (GCM).

designated as hazardous hydro-meteorological phenomena (such as hurricanes, snowstorms, heat waves) has increased.

Heatwaves: Armenia regularly experiences high maximum temperatures, with an average monthly maximum of around 13.2°C and an average August maximum of 27.5°C. The current annual probability of a heat wave (defined as a period of 3 or more days where the daily temperature is above the long-term 95th percentile of daily mean temperature) is around 3%. The model ensemble projects that the annual probability of a heatwave could increase from 5% to 18% (depending on emission scenarios) by the end of the century. The country is also projected to experience a significant increase in the number of very hot days (Tmax > 35°C). However, these increases primarily reflect the continual rise in temperatures against the model baseline period of 1986–2005.

Droughts: two primary types of droughts may affect Armenia, meteorological (usually associated with a precipitation deficit) and hydrological (usually associated with a deficit in surface and subsurface water flow, potentially originating in the region's wider river basins). When low hydrological flows also coincide with imperfect crop choices and land management practices, agricultural drought can also result. At present, Armenia faces a significant annual probability of severe meteorological drought, as defined by a standardized precipitation evaporation index of less than 2.

The 2001 drought highlighted the vulnerability of the rural poor to drought. Agencies working in the region reported more than 25,000 poor households affected, the majority of whom were dependent on local food production which was severely damaged by the drought. The model ensemble projects a dramatic increase in the annual probability of drought increasing from 20% to over 80% (depending on emission scenarios) by the 2090s. Global overview of changes in drought conditions under different warming scenarios supports extreme projections, suggesting that the West Asia region could experience a considerable increase in the frequency of extreme drought. Under 1.5°C of warming what is currently a 1-in-100-year event, may return every 20 years, and under 2°C of warming such an event may recur every 10 years or less⁷.

Extreme precipitation, flood and landslide: heavy rainfall events are known to trigger landslides and floods in rural areas of Armenia, often affecting poorer and more isolated rural communities. River levels in Armenia are particularly variable, and high flows often hit communities without forewarning, resulting in flood disasters. Flooding can result in damage to subsistence agriculture and increase the incidence of poverty and health issues. Floods also represent a risk to national economic productivity particularly when affecting the capital city, Yerevan. While most climate models project a small increase in the intensity of extreme precipitation events, uncertainty remains in precipitation projections and model ensemble estimates. The general shift in the seasonality of precipitation away from the summer months, combined with the projected loss of many of Armenia's glaciers will likely intensify extreme events and highlight a need for disaster risk reduction measures. However, research and development in the climate modelling arena is needed to support decision makers and planning efforts, specifically more reliable downscaled modelling and additional work will be needed in order to better understand and map rural exposure and vulnerability.

Climate change impacts

Natural resources

Water: uncertainty remains around the precise trajectory of future change in the availability of water resources in Armenia and river flows are expected to reduce dramatically. While vulnerability for basin and watersheds vary, under a "worst-case scenario", average decrease in river flow is estimated at 39% by the end of the century⁸. These changes would have a significant impact on the levels of Armenia's lakes and reservoirs, with implication for society potentially coming from the resulting damage to fish stocks and decline in water levels and water quality. However, caution should be applied as these projections are derived from a single climate scenario; other scenarios provide less consistent trends. More recent analysis of runoff from Caucasus Glaciers suggests a significant increase in the short-term (up to 2022) as melting intensifies, but near total loss of glaciers and glacial meltwater towards the end of the

⁷ [Global Changes in Drought Conditions Under Different Levels of Warming](#), Naumann, G., Alfieri, L., Wyser, K., Mentaschi, L., Betts, R. A., Carrao, H., . . . Feyen, L. (2018).

⁸ [Republic of Armenia – Fourth National Communication on Climate Change to the UNFCCC](#)

21st century.

A likely impact of the loss of Armenia's mountain glaciers is an increase in variability of water flows as glaciers typically act to smooth runoff over the year. Water scarcity towards the end of summer (August, September) is likely to increase. Armenia has already experienced declines in annual precipitation and desertification has been documented around the nation, including in the Ararat Valley, an important agricultural production area⁹. More information is needed to understand the potential threat of a broader restructuring of the nation's ecosystems, particularly whether tipping points threaten the viability of current agricultural operations.

Soil and land cover: a key route through which climate change may lead to soil and land degradation is through its impact on soil moisture. With very large increases in the frequency and intensity of drought projected over Armenia, the potential for declines in soil quality are significant. The Caucasus region is among many regions where an expansion of the arid and semi-arid area is projected, with the affected area growing rapidly over the 21st century under higher emissions pathways. Such changes will reduce ecosystem productivity resulting in species range shifts, and potential loss of biodiversity.

Linked to issues of land degradation and drought are potential changes to Armenia's forest cover. Armenia's NC4 estimates a potential loss of 14,000–17,500 ha (around 3%–4%) by 2030 as a result of changes to ecosystems and growing conditions, as well as increased frequency of forest fire, pest and disease outbreaks, and invasive species. Armenia has already begun to enact adaptation, and restoration plans to reduce deforestation through its National Forest Policy and Strategy, improved wildfire management policies and specific area action plans such as the City of Yerevan 5-Year Plan (2019–2023) to restore the city's buffer forest layer by 40 hectares. A general trend of species range shifts towards higher altitudes is expected and conversion of lower altitude land cover to arid forest types, steppe, and semi-desert. Armenia's National Strategy and Action Program to Combat Desertification was ratified in 2015 to increasing the effectiveness of land management, raising public awareness on desertification issues and their solutions, as well as international cooperation¹⁰.

Economic Sectors

Agriculture

Climate change in Armenia is likely to influence food production via direct and indirect effects on crop growth processes. Direct effects include alterations to carbon dioxide availability, precipitation, and temperatures. Indirect effects include through impacts on water resource availability and seasonality, soil organic matter transformation, soil erosion, changes in pest and disease profiles, the arrival of invasive species, and decline in arable areas due to desertification. On an international level, these impacts are expected to damage key staple crop yields, even on lower emissions pathways. Projections estimate 5% and 6% declines in global wheat and maize yields respectively even if the Paris Climate Agreement is met and warming is limited to 1.5°C. Shifts in the optimal and viable spatial ranges of certain crops are also inevitable, though the extent and speed of those shifts remain dependent on the emissions pathway.

In some cases, changing temperature and rainfall patterns may be favorable for crop production. Under all scenarios of future climate change, the agricultural growing season could extend by 10–40 days in Armenia. However, this may also present challenges due to uncertainty and potential declines in future water resources. Armenia is already struggling with land degradation on most agricultural land; climate change could accelerate this degradation as temperatures rise, and extreme weather events increase in frequency and severity. Temperature extremes are likely to result in sub-optimal growing conditions for many of Armenia's highest grossing crops, typically grains and vegetables. The increase in the number of very hot days (>35°C), even in the order of 5 days as projected for the low emissions pathway, is likely to damage yields for almost all crops grown in lowland areas of Armenia as well as for a

⁹ Republic of Armenia – Fourth National Communication on Climate Change to the UNFCCC

¹⁰ National Strategy and Action Program to Combat Desertification in the Republic of Armenia

majority of crops grown in intermediate and upland areas¹¹. Studies have suggested pressure will be amplified by a potential doubling of the average water requirement of Armenia's crops as temperatures rise. As the glacier supply depletes, and its regulating effect on flows reduces, effective water storage and management infrastructure will grow in importance.

Armenia implemented sustainable agricultural development strategies to increase the unused arable land in rotation by approximately 10,000 hectares per annum in an effort to combat projected yield reductions¹². Projections show that by the 2070s, potato crop yields will decrease by 21%, with the highest level of reduction expected in Shirak and Syunik marzes. The largest decline in the grape yields will be recorded in the Ararat Valley – by 20%¹³. At the same time the area of high productivity land is projected to shrink, with a 17% increase in less productive desert and meadow-steppe land. Agriculture, Forestry and Fisheries make up Armenia's lowest paid sector yet continue to employ over 30% of the population. These high levels of vulnerability, and risks in both slow and rapid onset hazards emphasize the serious risks climate change represents in Armenia, particularly under higher emissions pathways. A further, and perhaps lesser appreciated influence of climate change on agricultural production is through its impact on the health and productivity of the labor force. Labor productivity during peak months has already dropped by 10% as a result of warming, and a decline of up to 20% might be expected by the 2050s under the highest emissions pathway. In combination, it is highly likely that the above processes will have a considerable impact on national food consumption patterns both through direct impacts on internal agricultural operations, and through impacts on the global supply chain. Without adaptation, the economic environment for smallholder agricultural operations is likely to become increasingly hostile¹⁴.

Urban and Energy

Research has established a reasonably well constrained relationship between heat stress and labor productivity, household consumption patterns, and (by proxy) household living standards. In general terms, the impact of an increase in temperature on these indicators depends on whether the temperature rise moves the ambient temperature closer to, or further away from, the optimum temperature range. The optimum range can vary depending on local conditions and adaptations. In Armenia, a general decline in productivity is expected due to high temperatures that are offset by a reduction in the frequency of extreme low temperatures. This trend can be measured in the change to the annual heating and cooling degree days. The full model ensemble projects an increase in the annual cooling requirement of around 1,000°C (degree days), versus a decline in the heating requirement of around 2,000°C (degree days). This points towards a potential net energy saving. Armenia's energy policy is focused on ensuring independence and increased security of the energy sector and promotion of the sustainable development of the energy sector based on efficient use of local primary (renewable) energy resources, further development of the nuclear energy sector, diversification of energy supply sources and introduction of energy efficient and advanced technologies. In the medium term, meeting increases in electricity demand, energy system reliability, and affordability of electricity services are important challenge to be addressed¹⁵. The country has begun to increasingly invest in the development of renewable energy sources and, more specifically, in recent years, electricity generation at photovoltaic (PV) solar plants, with a longer-term interest in further development of wind and nuclear energy.

The effects of temperature rise and heat stress in urban areas are increasingly compounded by the phenomenon of the Urban Heat Island (UHI) effect. Dark surfaces, residential and industrial sources of heat, an absence of vegetation, and air pollution can push temperatures higher than those of the rural surroundings, commonly anywhere in the range of 0.1°C–3°C in global mega-cities. As well as impacting on human health (see Communities) the temperature peaks

¹¹ [Building resilience to climate change in South Caucasus agriculture](#). World Bank

¹² [Strategy of the Main Directions Ensuring Economic Development in Agricultural Sector of the Republic of Armenia for 2020–2030](#)

¹³ [Republic of Armenia – Fourth National Communication on Climate Change to the UNFCCC](#)

¹⁴ [Environmental and socio-economic vulnerability of agricultural sector in Armenia](#), Melkonyan, A. (2014), Science of The Total Environment

¹⁵ [Armenia Power Sector Policy Note](#), World Bank (2016).

that will result from combined UHI and climate change, as well as future urban expansion, are likely to damage the productivity of the service sector economy, both through direct impacts on labor productivity, but also through the additional costs of adaptation. The Armenian economy has great dependence on activity in its capital city, Yerevan, where around half of the nation's industrial production takes place. While the economy of the city is strong, and poverty rates comparatively low, the health risks of high temperatures require consideration. The 2018 heatwave, during which a new temperature record was set in Yerevan of 42°C, illustrated the strain that extreme climate events can place on the energy system, with technical faults and high demand putting strain on the energy system. Research suggests that on average, a one degree increase in ambient temperature can result in a 0.5%–8.5% increase in electricity demand. Heating requirements continue to be an important part of Armenian energy needs. Individual heat boilers are primarily used for heating, of which 50% use natural gas. Natural gas is followed by wood use for heating, with an estimated 35% of Armenian households using wood for heating. This is primarily driven by affordability. As the country's deforestation rates are likely to continue, the use of biomass for heating is likely to continue to the trend, which is expected to adversely affect the poorest households due to a decline in firewood availability and price increase.

Regional context

Shirak province (marz) administrative district where the project is envisaged to be implemented is located in the north-west of the Republic of Armenia bordering Turkey in the west and Georgia in the north. "Arpi lake" national park is located in this marz. The climate of the marz is mountainous with cool summers and severe long winters. Annual precipitation is 500-600 mm. The absolute minimum temperature in Armenia was recorded in this area which was -46°C. Shirak marz is known for its reserves of tufa, pumice, and limestone mines, especially Artik region which is located in the southern part of the marz. The region is located on the volcanic plateau and foothills and is known for its favorable conditions for grain crop and livestock development. For years, stone pits have had a negative impact on the environment. Previously, more than 60% of the total volume of construction stone products of the country was produced in Artik and its adjacent communities. Many mines were closed due to reduction of construction stone consumption volumes; however, no conservation and reclamation work of these closed mines have been carried out thus causing many environmental problems. Hundreds of hectares of agricultural and natural landscapes were degraded and lost their natural way of restoration due to the exploitation of mines. Dust through strong winds and solid remnants through snowmelt and rainfall spread over great distances polluting natural agro landscapes. As a result, there is a decrease in the yield of agricultural crops, crop quality, and adaptation level of natural landscapes to climate change.

Another problem is increasing the frequency of severe floods in the last 20 years, which is due to the spring temperatures that are not typical for the region. If until 1980s the air temperature reached 20-25°C within one and a half months, now it is rising quickly and unevenly. As a result, this accelerates snowmelt causing the emergence of strong floods. The negative impact of such climate change also lies in the fact that industrial waste of the mines is dumped into two storm canals passing through Artik city territory significantly reducing their capacity. During intense spring snow melts and heavy rains, flood waters overflow residential and public buildings, lands, gardens, streets, and yards. This phenomenon is repeated every year. The flood that occurred in June 2016 caused more than 210,000 USD damage to Artik city infrastructures and population. The elimination of the consequences of such floods cannot be done only by means of the city budget. The budget of the city and adjacent communities does not allow implementing procedures to eliminate negative impact of repeated floods and other issues created by the closed stone pits to the environment.

Sectorial NAPs (SAPs)

As per Agricultural SAP, the following 8 groups of priority measures are proposed to increase climate resilience of the sector:

1. Expansion of the list of insurable crops and risks, introduction of new insurance products;
2. Implementation of advanced irrigation technologies and organization of efficient agriculture;

3. Support to entities engaged in seed breeding and seed production in the conditions of climate change;
4. Support for the introduction of nursery certification system in RA;
5. Application of measures to mitigate the negative impact of hazardous hydrometeorological phenomena (HHMP);
6. Promotion and development of resource-saving agriculture;
7. Implementation of measures aimed at development of fodder production, improvement of fodder quality and increase of production volumes;
8. Capacity building of structures, agricultural farms and relevant specialists involved in agricultural sector.

As per Water SAP, the following 3 groups of priority measures are proposed to increase climate resilience of the sector:

1. Knowledge & adaptation capacities building for population (with specific focus at women and remote communities) and CSOs;
2. Coordination & enforcement of planning policies;
3. Investments in sustainable & reliable water services and assets.

Regional (marz) NAPs (MAPs)

As it has already been mentioned, the Marz Adaptation Plans for two regions of Armenia (Tavush and Shirak) has been developed and adopted so far decompressing priority measures to be implemented in the targeted sector taking into account regional specificities.

Project/Programme Objectives:

The **overall objective** of the proposed project is to enhance the resilience of Artik, Ani, and Ashotsk communities in the Shirak Marz region of Armenia to climate change impacts. This will be achieved by restoring and managing natural landscapes, improving agricultural practices, and implementing flood prevention measures, while fostering community capacity to adapt to ongoing climate variability.

Specific objectives:

1. **Increase the adaptation level of natural and agricultural landscapes** - This will focus on the restoration of degraded lands, the implementation of climate-resilient agricultural practices, and the enhancement of biodiversity to support long-term climate resilience in the region;
2. **Prevent floods and eliminate their consequences** - The project will work to reduce flood risks through the maintenance and improvement of existing flood prevention infrastructure, alongside the construction of new flood control measures, thereby safeguarding vulnerable communities and their livelihoods;
3. **Restore the natural landscape of the area affected by climate change and anthropogenic impacts** - The project will restore areas damaged by climate change and human activity, particularly those affected by mining, by implementing sustainable land management and natural resource recovery techniques.
4. **Improve the adaptation potential of community producers, institutions, and other relevant stakeholders regarding climate change** - This objective will enhance the capacity of local stakeholders, including farmers and local institutions, to adapt to climate change through training, knowledge sharing, and the introduction of innovative climate-smart practices;
5. **Replicate and scale up good practices achieved during the implementation of the pilot project “Artik city closed stone pit waste and flood management pilot project”** – The project will build on the lessons learned and successes from the pilot project, expanding and scaling up successful interventions for broader impact.

Alignment with the Adaptation Fund’s objectives and outcomes:

The proposed project aligns with the **Adaptation Fund's** objectives by focusing on reducing vulnerability to climate change impacts and enhancing resilience in the targeted communities. It addresses the following key AF outcomes:

- **Outcome 1:** Reduced exposure to climate-related hazards and threats;
- **Outcome 4:** Increased adaptive capacity within relevant development sector services and infrastructure assets;
- **Outcome 5:** Increased ecosystem resilience in response to climate change and variability-induced stress;
- **Outcome 6:** Diversified and strengthened livelihoods and sources of income for vulnerable people in targeted areas;
- **Outcome 8:** Support the development and diffusion of innovative adaptation practices, tools and technologies.

Through capacity-building initiatives, improved infrastructure, and the introduction of climate-resilient practices, the project contributes to the adaptation goals of vulnerable communities, while promoting innovative practices and strengthening local livelihoods.

Table 1: TOC Diagram of the Project

Goal Statement

IF capacitated communities of Ani, Ashotsk and Artik are successful in implementing landscape restoration, flood prevention, improved land and waste management and increased agricultural productivity activities, **THEN** they become empowered to sustainably manage their natural resources and adapt to climate change impacts, experience increased resilience and improved well-being and livelihoods, as well as environmental health, **BECAUSE** the tools and knowledge to adapt to climate change impacts effectively and capacity to leverage existing infrastructures and synergies efforts across the sectors will result in necessary economical, social and environmental co-benefits.

Outcomes

Adaptation and sustainability of natural landscapes increased.
 Social, economic, and environmental threats caused by floods are reduced
 Awareness of population on the recovery measures is increased

Project Results

Restoration, management, and increase of adaptation potential
 Safe and resilient communities with improved well-being and livelihoods
 Communities contribute to sustainable management of natural agro

Project Activities

Recultivation, sustainable agricultural and waste management practices
 Advanced infrastructure
 Awareness raising, knowledge sharing and stakeholder capacitation

Barriers & Risks

Lack of community engagement, limited capacities and attitudes
 Institutional capacity constraints, land use changes and economic constraints
 Limited outreach and information overload

Assumptions

- Beneficiary communities actively participate in project activities and take ownership.
- The communication strategies employed to raise awareness and share knowledge will resonate with the target population.
- Efficient collaboration among various stakeholders fosters synergies and contribute to successful project outcomes.

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TOC description of the Project:

At the heart of this project is a transformative vision to enhance the resilience and well-being of vulnerable communities in the Ani, Ashotsk and Artik regions of Armenia, in the face of increasing climate change impacts. The Project's Theory of Change (TOC) outlines a strategic pathway that connects its interventions to the desired outcomes, leveraging a holistic approach that integrates restoration, climate-resilient agriculture, flood prevention, and awareness-building initiatives.

The "if-then-because" logic driving the TOC envisions a series of interrelated steps that culminate in lasting change. **IF** capacitated communities of Ani, Ashotsk and Artik are successful in implementing landscape restoration, flood prevention, improved land and waste management and increased agricultural productivity activities, **THEN** they become empowered to sustainably manage their natural resources and adapt to climate change impacts, experience increased resilience and improved well-being and livelihoods, as well as environmental health, **BECAUSE** the tools and knowledge to adapt to climate change impacts effectively and capacity to leverage existing infrastructures and synergies efforts across the sectors will result in necessary economic, social and environmental co-benefits.

The Project recognizes the central role of communities in this process. By engaging local communities and enhancing their capacity through tailored interventions, the Project aims to empower them to sustainably manage their natural resources. This engagement, combined with targeted knowledge-sharing, will equip communities with the tools to adapt to climate change impacts effectively. If communities are actively involved and empowered, then they will contribute to enhanced well-being because they will diversify their livelihoods, mitigate risks, and secure essential resources. Furthermore, the project's alignment with National Adaptation Plan, Sectorial Adaptation Plans (for water and agriculture sectors) and Marz Adaptation Plans and their focus on fostering collaboration among stakeholders are integral to achieving sustainable outcomes. The synergy between Project activities and broader policies will lead to cohesive resource allocation and increased project impact. If the Project leverages existing structures and promotes collaboration, then it will contribute to the achievement of broader development goals, amplifying the benefits of its interventions.

The implementation of concrete measures, including improved land management practices, increased agricultural productivity, enhanced waste management, and reduced flood risks, will result in direct positive changes for communities. This transformation will be visible through increased crop yields, better health outcomes, and reduced property damage. If communities experience these improvements, then their social well-being, livelihoods, and environmental health will significantly benefit, enhancing the sustainability of their ecosystems. As the project journey progresses, its aim is not just to generate short-term impacts but to lay the groundwork for long-term resilience. Through effective interventions, if the project establishes self-sustaining ecosystems of resilience through effective interventions, then communities will not only adapt but thrive economically, socially, and environmentally in the face of evolving conditions. The key "because" factor lies in the strengthened local capacities, improved resource management, and adaptive practices that communities will have cultivated, creating a legacy of sustainability.

The TOC underscores the importance of understanding and addressing potential risks and barriers that might impede the desired outcomes. Through community engagement, adaptive management, and strategic planning, the project aims to mitigate these challenges to ensure its success. In summary, the Theory of Change for this project paints a compelling picture of how concerted efforts in restoration, climate-resilient agriculture, flood prevention, and awareness-building will converge to build resilient communities. This journey involves empowering communities, fostering collaboration, aligning with national strategies, and creating lasting change that goes beyond adaptation to create thriving ecosystems of resilience. Through these steps, the project seeks to foster a future where vulnerable communities in Armenia are not just surviving but thriving in the face of a changing climate.

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Project/Programme Components and Financing

Table 2: Scope of Project Interventions

N	Project/Program Components	Expected Concrete Outputs	Expected Outcomes	Amount (US\$)
1.	<p>Component 1: Restoration, management, and increase of adaptation potential of natural and agricultural landscapes of the area affected by climate change and anthropogenic factors.</p>	<p><u>Output 1.1</u> Soil cover of mine adjacent to Ani community is recultivated (<i>10 ha of forest cover will be created</i>);</p> <p><u>Output 1.2</u> Forest grove established with support of previous project is taken care of and became sustainable;</p> <p><u>Output 1.3</u> Sowing areas of perennial plants are created reducing rangeland degradation and enhancing the adaptability of degraded arable lands in Ani, Ashotsk and Artik (<i>900 ha of perennial sowing area established</i>);</p> <p><u>Output 1.4</u> Crop yield and crop quality of the adjacent natural landscapes is increased in Ani, Ashotsk and Artik communities (<i>45 ha hay meadows and 570 ha pastures</i>);</p> <p><u>Output 1.5</u> Waste collection practices are introduced in Ani, Ashotsk and Artik communities (<i>garbage tracks, bins and collection</i>) and pilot program for integrated management of household waste in the village of Vardakar is implemented;</p> <p><u>Output 1.6</u> Mapping of all degraded</p>	<p>Outcome 1: Adaptation and sustainability of natural landscapes of the area affected by climate change and anthropogenic factors increased.</p>	<p>216,320</p> <p>180,000</p> <p>700,000</p> <p>360,000</p> <p>220,000</p> <p>25,000</p>

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		lands in Shirak region is implemented; <u>Output 1.7</u> Infrastructure for piloting high value agriculture models (including new types of climate resilient crops) at 100 ha of degraded land is implemented with the commercial lending from private financier engaged (construction of the facilities); <u>Output 1.8</u> Demonstration sites for intensive orchards in all beneficiary communities are constructed (10 ha in each community); <u>Output 1.9</u> Architecture and design work for all components are carried out; <u>Output 1.10</u> Index insurance piloted in beneficiary municipalities		250,000
				900,000
				85,000
				25,000
Subtotal for the Component 1.				2,961,320
2.	<u>Component 2:</u> Prevention and management of floods	<u>Output 2.1</u> Infrastructure constructed during the pilot project is maintained <u>Output 2.1</u> Road infrastructure (two small bridges and renovation of existing road) is advanced to divert the heavy-duty vehicles away from the adjacent to the mine communities;	<u>Outcome 2:</u> Social, economic, and environmental threats caused by floods as a result of climate change is reduced	100,000
				700,000
Subtotal for the Component 2.				800,000
3.	<u>Component 3:</u> Raising awareness and knowledge level of population for the management of stone pit wastes and floods	<u>Output 3.1</u> The level of knowledge on effective recovery methods of degraded natural and agro landscapes will be increased <u>Output 3.2</u>	<u>Outcome 3:</u> Raising awareness and knowledge level of population on the recovery of agro landscapes and flood risk reduction	60,000
				40,000

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	The knowledge level of the population on natural and agro landscape adaptation to climate change will be increased <u>Output 3.3</u> Increasing of the knowledge level of the population on the occurrence and prevention possibilities of floods <u>Output 3.4</u> Promoting the importance of the sustainable thinking, learning and dissemination of information related to the landscape adaptation to climate change in communities <u>Output 3.5</u> The involvement of local media and environmental NGOs in the process of mitigating the negative effects of climate change will be increased		40,000
			60,000
			100,000
Subtotal for the Component 3.			300,000
Total: Project Components			4,061,320
	Project/Programme Execution cost		60,920
	Total Project/Programme Cost		4,122,240
	Project/Programme Cycle Management Fee charged by the Implementing Entity (if applicable)		350,390
	Amount of Financing Requested		4,472,630

Projected Calendar:

Indicate the dates of the following milestones for the proposed project/programme

Table 3: Project Calendar

Milestones	Expected Dates
Start of Project/Programme Implementation	01 January 2026
Mid-term Review (if planned)	01 January 2028

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Project/Programme Closing	01 January 2030
Terminal Evaluation	10 April 2030

PART II: PROJECT / PROGRAMME JUSTIFICATION

A. Describe the project/programme components, particularly focusing on the concrete adaptation activities of the project, and how these activities contribute to climate resilience. For the case of a programme, show how the combination of individual projects will contribute to the overall increase in resilience.

The project will improve resilience of highly exposed communities of Shirak region (Artik, Ani and Ashotsk municipalities) of Armenia to hydrometeorological threats that are increasing in frequency and intensity as a result of climate change.

Component 1: *Restoration, management, and increase of adaptation potential of natural and agricultural landscapes of the area affected by climate change and anthropogenic factors.*

Number of beneficiaries – 15,000 (minimum 60% women)

This pivotal component of the project is dedicated to restoring, managing, and increasing the adaptation potential of the natural landscapes in the Ani, Ashotsk and Artik regions, which have been impacted by the dual forces of climate change and anthropogenic activities. The component encompasses a diverse array of activities, all working in harmony to rejuvenate ecosystems, strengthening their capacity to withstand climate stempowering, and empower local communities. Through dedicated efforts, the project will recultivate soil covers in areas adjacent to communities, creating 10 hectares of new forest cover. This act of reforestation is not just an environmental endeavor but a means to build resilience against climatic changes. Additionally, the establishment and sustainable management of a forest grove, supported by previous initiatives, will be nurtured to fruition, providing a lasting resource for communities.

The project extends its restoration focus beyond forests to include the creation of sowing areas for perennial plants. Covering 900 hectares in communities such as Ani, Ashotsk and Artik, this initiative aims to combat rangeland degradation, fostering adaptable agricultural practices that thrive amidst climate challenges. Agricultural productivity will be further enhanced through the establishment of 45 hectares of hay meadows and 570 hectares of pastures. This effort directly contributes to increased crop yields and improved crop quality, ensuring both food security and economic stability for the beneficiary communities. The project takes a comprehensive approach to waste management as well, introducing waste collection practices in communities and piloting integrated waste management solutions in Vardakar village. By addressing waste, the project safeguards both environmental health and community well-being. Furthermore, the creation of demonstration sites for intensive orchards in beneficiary communities adds a practical dimension to the component. These orchards showcase the potential for sustainable agricultural practices, contributing to the overall goal of enhanced adaptation potential.

Land restoration typology: the typology of areas targeted for land restoration, whether they fall within protected zones, public lands, or privately owned territories, will be determined through a comprehensive assessment that takes into account the geographical, ecological and legal contexts specific to the Ani, Ashotsk and Artik regions. This detailed assessment is critical for ensuring that land restoration efforts are aligned with both the national environmental policies and local land use regulations, while also reflecting the needs and priorities of the local communities. Given the complex interplay between ecological conditions, legal landownership structures and local community interests, it is essential that this assessment be conducted during the inception stage of the project. Carrying out the assessment during this phase will allow for a more accurate and thorough understanding of the current on-ground realities, which may have evolved since the initial project design. This approach will ensure that

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restoration activities are context-specific and fully informed by the latest data on land conditions, ownership status and community requirements. Moreover, the involvement of stakeholders at the inception stage provides an opportunity to secure local buy-in, ensure adherence to land-use policies and build the foundations for successful implementation, which are essential for long-term sustainability.

Orchard demonstration sites: The selection of specific locations for the demonstration sites of intensive orchards will be a pivotal step in showcasing innovative and sustainable agricultural practices that can transform local communities. These sites will be chosen based on carefully considered criteria, including their potential to serve as exemplary models of climate-resilient agriculture, their accessibility to local farmers, and their capacity to generate lasting impacts aligned with the project's overarching goals. The demonstration sites will be established either on lands that are part of existing community initiatives or on new sites identified through an inclusive and participatory stakeholder engagement process.

While initial site identification has been explored during the project's design phase, a thorough, context-sensitive selection process is best conducted during the inception stage of the project. This allows for real-time assessment of current land conditions, community preferences, and evolving opportunities that may not have been fully captured during the proposal development stage. Moreover, this timing ensures that all necessary landownership statuses can be confirmed and that any legal permissions required are acquired with active involvement from local authorities and stakeholders. By undertaking this process at the project's inception, the initiative guarantees that the orchard sites are optimally positioned to maximize impact, benefit local communities, and align seamlessly with sustainable development goals. This methodical approach will enhance community engagement, ensure environmental appropriateness, and set a solid foundation for long-term agricultural resilience in the region.

Through the upcoming detailed planning and design phase, EPIU will gather more precise information about the land typology and specific locations for our project activities. This will ensure that our project interventions are well-informed, context-specific, and tailored to the unique characteristics of the targeted regions." In alignment with the project's broader aims, financial support from private financiers is leveraged to implement high-value agriculture models across 100 hectares of degraded land. This not only diversifies local livelihoods but also injects economic resilience into the community.

Lastly, the architectural and design groundwork for all components is meticulously carried out, ensuring a cohesive and effective implementation. The piloting of index insurance in beneficiary municipalities adds an innovative dimension, further enhancing the resilience of communities against climate-induced challenges. In light of the existing agricultural insurance pilots in Armenia, co-financed by MDBs, bilateral assistance providers and the Central Bank of Armenia, the Project recognizes the importance of enhancing the utilization of these services among farmers. The current insurance covers specific crops such as apricots, grapes, apples, peaches, and grains, with eligibility criteria requiring a minimum area of 0.5 acres, presence of a hail station in the community, and age specifications for apricot and grape orchards. Risks covered include hail, fire, and spring frostbite, while uninsured risks comprise winter frostbite, pests, diseases, and other specified conditions.

Outcome 1: Adaptation and sustainability of natural landscapes of the area affected by climate change and anthropogenic factors increased.

- **Output 1.1: Soil cover of mine adjacent to Ani community is recultivated (10 ha of forest cover will be created)**
 - This activity aims to restore 10 hectares of degraded land by creating new forest cover. The reforestation project will improve soil quality, prevent erosion, and mitigate climate impacts such as floods. The activities will include site preparation, planting trees, and ongoing maintenance. The allocated budget for this activity is **US\$ 216,320**.
- **Output 1.2: Forest grove established with support of previous project is taken care of and becomes sustainable**

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- This activity ensures the sustainability of a previously established forest grove. It will involve regular maintenance, pest control, and management to maintain the grove's resilience to climate stressors. The budget allocated for this output is **US\$ 180,000**.
- **Output 1.3: Sowing areas of perennial plants are created reducing rangeland degradation and enhancing the adaptability of degraded arable lands in Ani, Ashotsk, and Artik (900 ha of perennial sowing area established)**
 - This activity addresses rangeland degradation by establishing 900 hectares of perennial sowing areas. It will improve soil health, reduce erosion, and increase agricultural productivity. The activities involve land preparation, sowing, and initial irrigation setup. The allocated budget for this activity is **US\$ 700,000**.
- **Output 1.4: Crop yield and crop quality of the adjacent natural landscapes are increased in Ani, Ashotsk, and Artik communities (45 ha hay meadows and 570 ha pastures)**
 - This activity focuses on enhancing agricultural productivity through the establishment of 45 hectares of hay meadows and 570 hectares of pastures. This will help improve crop yields and livestock feed, contributing to food security and economic stability. The budget for this activity is **US\$ 360,000**.
- **Output 1.5: Waste collection practices are introduced in Ani, Ashotsk, and Artik communities (garbage tracks, bins, and collection), and a pilot program for integrated management of household waste in Vardakar is implemented**
 - The activity will be introduced, including garbage trucks, bins, and waste collection systems, alongside a pilot integrated waste management program in Vardakar. The budget allocated for this initiative is **US\$ 220,000**.
- **Output 1.6: Mapping of all degraded lands in Shirak region is implemented**

This activity involves mapping all degraded lands in the Shirak region using GIS tools and field assessments to understand the scope of land degradation. The budget for this activity is **US\$ 25,000**.
- **Output 1.7: Infrastructure for piloting high-value agriculture models (including new types of climate-resilient crops) at 100 ha of degraded land is implemented with the commercial lending from private financiers engaged**
 - This activity will involve setting up infrastructure to pilot high-value agriculture models on 100 hectares of degraded land, with financial support from private lenders. The budget allocated for this output is **US\$ 250,000**.
- **Output 1.8: Demonstration sites for intensive orchards in all beneficiary communities are constructed (10 ha in each community)**
 - This activity will establish demonstration sites for intensive orchards in the three communities (Ani, Ashotsk, and Artik), totaling 30 hectares. These sites will serve as models for sustainable agricultural practices. The budget for this activity is **US\$ 900,000**.
- **Output 1.9: Architecture and design work for all components are carried out**
 - This activity includes the design and architectural work necessary to implement all the above components effectively. The budget for this activity is **US\$ 85,000**.
- **Output 1.10: Index insurance piloted in beneficiary municipalities**
 - This activity will introduce index insurance for the beneficiaries, providing financial security against climate-induced risks such as droughts or floods. The budget for this activity is **US\$ 25,000**.

The outputs under Outcome 1 are architected to build climate resilience by addressing critical environmental challenges and supporting sustainable land use practices in the Ani, Ashotsk, and Artik communities. These outputs contribute to enhanced resilience by restoring ecosystems, promoting sustainable agricultural practices, and implementing climate-adaptive infrastructure. By focusing on soil recultivation, forest sustainability, and agricultural improvements, the project addresses the vulnerability of degraded lands, ensuring they are better equipped to absorb climate shocks, such as droughts, floods, and temperature variability.

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The creation of forest cover, combined with the sustainable management of existing groves, plays a pivotal role in carbon sequestration, reducing land degradation, and improving water retention. These forest restoration efforts help to stabilize soil and mitigate the impacts of climate-related hazards, such as landslides and flooding, which are becoming more frequent due to changing precipitation patterns. In tandem, the sowing of perennial plants and the rehabilitation of natural landscapes enhance land productivity and reduce rangeland degradation. By improving soil health and agricultural yields, the project ensures that local communities can sustain their livelihoods despite increasingly erratic climate conditions, which are particularly harmful to traditional farming methods.

Moreover, the introduction of waste collection systems and the mapping of degraded lands establish the foundation for more sustainable resource management in the target regions. Effective waste management reduces environmental pollution, supports healthier ecosystems, and indirectly mitigates the impacts of climate change by decreasing greenhouse gas emissions from unmanaged waste. The project's focus on high-value agriculture models and the introduction of climate-resilient crops further demonstrates a long-term commitment to economic and environmental sustainability. The construction of demonstration sites for intensive orchards and the piloting of index insurance in beneficiary municipalities serve as innovative approaches to building adaptive capacity at the local level, providing both practical solutions and financial security against climate risks. Together, these outputs contribute to a holistic, sustainable framework that aligns with the Adaptation Fund's goal of reducing vulnerability to climate change while promoting environmental, social, and economic resilience. The activities embedded within these outputs address immediate adaptation needs and lay the groundwork for long-term resilience by fostering ecosystem restoration, sustainable land use, and community-driven climate adaptation solutions.

Component 2. *Prevention and management of floods.*

Number of beneficiaries – 15,000 (minimum 60% women)

At the heart of this project's holistic approach lies Component 2, which focuses on the essential task of preventing and effectively managing floods in the vulnerable areas of the Ani, Ashotsk, and Artik regions. This component recognizes the pressing need to mitigate the social, economic, and environmental threats posed by floods due to climate change, ensuring the safety and resilience of local communities. Central to this component is the maintenance of previously constructed infrastructure, ensuring that the flood prevention measures initiated during the pilot phase continue to function effectively. These measures are a testament to the project's commitment to creating lasting change. In a strategic move to divert heavy-duty vehicles away from flood-prone areas, the component advances road infrastructure. This enhancement not only safeguards communities but also fosters sustainable development by preserving vital roadways.

The envisioned outcome of this component is a reduction in the multifaceted threats posed by floods. Socially, communities will experience improved safety and reduced vulnerabilities, while economic stability will be bolstered as a result of safeguarded infrastructure and livelihoods. From an environmental perspective, the project aims to minimize the environmental damage caused by floods, ensuring the health of ecosystems. By proactively addressing the flood-related challenges through carefully designed infrastructure and preventive measures, this component aligns seamlessly with the broader project goal of building resilient communities. Through the synergy of effective flood management and innovative road infrastructure improvements, Component 2 serves as a cornerstone of the project's commitment to enhancing community well-being and environmental sustainability.

Outcome 2: Social, economic, and environmental threats caused by floods as a result of climate change is reduced

- **Output 2.1: Infrastructure constructed during the pilot project is maintained**
 - This activity ensures that the flood prevention infrastructure built in previous projects is properly maintained, allowing it to function effectively in the future. The allocated budget for this activity is **US\$ 800,000**.
- **Output 2.2: Road infrastructure (two small bridges and renovation of existing roads) is**

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advanced to divert the heavy-duty vehicles away from the adjacent mine communities

- This activity focuses on improving road infrastructure to reduce flood risk, including building two small bridges and renovating roads. The goal is to reduce the impact of heavy-duty vehicles on flood-prone areas. The budget for this activity is also included in the US\$ 800,000.

The outputs under Outcome 2 focus on enhancing the resilience of critical infrastructure, particularly in areas that are vulnerable to climate-related hazards such as flooding, landslides, and heavy precipitation events. By maintaining and advancing infrastructure, these outputs contribute to both immediate and long-term climate resilience by mitigating the risks associated with the increasing intensity and frequency of extreme weather events. The maintenance of infrastructure constructed during the pilot project is essential to ensuring that flood prevention measures remain effective over time. Well-maintained flood control systems are crucial in areas that are prone to flash flooding and heavy rainfall, as they prevent water from overwhelming communities, agricultural lands and vital ecosystems. Maintaining this infrastructure is not only a cost-effective approach to safeguarding existing investments but also a critical measure to reduce the potential for catastrophic damage in future climate scenarios. By prioritizing maintenance, the project strengthens the adaptive capacity of local communities to manage flood risks, thereby reducing both economic losses and human vulnerability.

The advancement of road infrastructure, including the construction of two small bridges and the renovation of existing roads, addresses a key vulnerability in the region: the risk posed by heavy-duty vehicles passing through areas adjacent to the mines. Diverting traffic away from these communities will reduce the wear and tear on roads and other infrastructure, helping to prevent erosion and flooding caused by vehicle-induced damage. This not only extends the lifespan of infrastructure but also enhances community safety and access during extreme weather events. Improved road infrastructure also plays a significant role in ensuring the resilience of supply chains and economic activities in the region, further contributing to long-term climate adaptation by supporting sustainable economic development. Overall, these outputs under Outcome 2 are designed to create durable, climate-resilient infrastructure that can withstand and adapt to the projected impacts of climate change. By maintaining critical flood prevention measures and enhancing road networks, the project mitigates immediate risks while laying the foundation for a safer, more resilient environment.

Component 3. Raising awareness and knowledge level of population for the management of stone pit wastes and floods.

Number of beneficiaries – 2,000 (minimum 60% women)

Aiming to empower communities with the information and understanding needed to navigate the challenges of managing stone pit wastes and floods, Component 3 plays a crucial role in promoting informed decision-making and fostering sustainable practices. For Component 3 of the project, the capacity-building needs of regional governments and municipalities are critical to implementing and sustaining effective management strategies for stone pit waste, flood management, recovery methods for degraded natural and agricultural landscapes. This component aims to empower communities and local authorities with the necessary information and understanding to address these environmental challenges effectively. These capacity advancement activities will provide local governments with the tools to make informed decisions and implement sustainable practices. The project also emphasizes the importance of sustainable thinking and landscape adaptation to climate change, aiming to instill a stewardship mindset and proactive engagement in these governing bodies.

Central to this component is the goal of increasing the awareness and knowledge levels of the local population. Through strategic efforts, the project seeks to elevate understanding of effective recovery methods for degraded natural and agro landscapes. By equipping communities with insights into the significance of adapting to climate change impacts, the project aims to build a foundation for long-term resilience. The dissemination of information about the occurrence and prevention of floods is a pivotal aspect of this component. By educating communities about flood risks and mitigation strategies, the project seeks to empower them to make informed choices that enhance their safety and preparedness.

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In parallel, the component strives to promote the importance of sustainable thinking related to landscape adaptation to climate change. Through engaging educational campaigns, it aims to instill a mindset of stewardship and proactive engagement in communities.

Crucially, local media and environmental non-governmental organizations (NGOs) are invited to join the endeavor, amplifying the outreach and effectiveness of awareness campaigns. Their involvement is instrumental in ensuring that the project's messages resonate widely.

The overarching goal of Component 3 is to raise the awareness and knowledge levels of the population. This outcome translates into increased community engagement, the adoption of climate-resilient practices, and the enhancement of local adaptive capacity. By enhancing awareness about the management of stone pit wastes and floods, the project contributes to the overall well-being of communities, fortifying them against environmental challenges and fostering a sustainable future.

Outcome 3: Raising awareness and knowledge level of population on the recovery of agro landscapes and flood risk reduction

- **Output 3.1: The level of knowledge on effective recovery methods of degraded natural and agro landscapes will be increased**
 - This activity focuses on increasing the knowledge of local governments and communities on how to recover degraded natural and agricultural landscapes. The budget allocated for this activity is **US\$ 100,000**.
- **Output 3.2: The knowledge level of the population on natural and agro landscape adaptation to climate change will be increased**
 - This activity will involve workshops and training programs to increase awareness of climate adaptation strategies for natural and agricultural landscapes. The budget for this output is **US\$ 50,000**.
- **Output 3.3: Increasing the knowledge level of the population on the occurrence and prevention possibilities of floods**
 - This activity will educate communities on flood risks and prevention strategies, through community meetings and educational campaigns. The budget for this activity is **US\$ 50,000**.
- **Output 3.4: Promoting the importance of sustainable thinking, learning, and dissemination of information related to landscape adaptation to climate change in communities**
 - This activity will involve promoting sustainable practices in local communities through information dissemination and community involvement. The budget allocated for this output is **US\$ 50,000**.
- **Output 3.5: The involvement of local media and environmental NGOs in the process of mitigating the negative effects of climate change will be increased**
 - This activity will engage local media and environmental NGOs in spreading climate adaptation messages, ensuring broader community outreach. The budget for this activity is **US\$ 50,000**.

The outputs under Outcome 3 are critical in building the knowledge and capacity of regional governments, local communities, and key stakeholders to effectively adapt to the impacts of climate change. By raising awareness and promoting sustainable thinking on climate resilience, these outputs ensure that local populations, governments and NGOs are better equipped to implement and sustain adaptation strategies in the long term. The focus on increasing knowledge on effective recovery methods for degraded natural and natural-landscapes among regional governments and municipalities ensures that local authorities are empowered to make climate-informed decisions. This knowledge transfer is vital for ensuring that landscape restoration and management are conducted in ways that enhance ecological resilience and prevent further degradation. By equipping local governments with the necessary tools and understanding, the project fosters a sustainable framework that can be replicated and scaled across other regions facing similar climate challenges.

At the community level, raising awareness about climate adaptation and flood prevention is essential for empowering local populations to take proactive measures to protect their livelihoods and resources. By increasing the local population's understanding of climate risks and available adaptation strategies, the project contributes to reducing vulnerabilities and minimizing losses from extreme weather events such as floods. This focus on community education ensures that adaptive measures are integrated into everyday practices, reinforcing resilience at the grassroots level. Moreover, the project promotes sustainable thinking in landscape adaptation by encouraging communities to adopt long-term, environmentally responsible approaches to managing their natural resources. This shift in mindset is crucial for ensuring that climate-resilient practices are sustained and embedded in local decision-making processes, ensuring the longevity of the project's impact. Additionally, by increasing the involvement of local media and environmental NGOs, the project expands its reach and impact. Media organizations play a pivotal role in disseminating information, raising public awareness, and shaping community narratives around climate action, while NGOs can act as crucial intermediaries in mobilizing communities and supporting implementation. By engaging these stakeholders, the project ensures a wide-reaching, community-led approach to climate adaptation, strengthening local adaptive capacities and ensuring sustained commitment to climate resilience.

The learning and knowledge management component of the project is designed to ensure that the experiences, best practices, and lessons learned throughout the project's implementation are systematically captured, analyzed, and disseminated to relevant stakeholders at the local, national, and international levels. This component is integral not only to improving the effectiveness and efficiency of the project itself but also to contributing to broader climate adaptation efforts by sharing insights with other projects, sectors, and regions. The knowledge management strategy will be built on three core pillars: knowledge capture, internal and external dissemination, and capacity building.

1. Knowledge capture and documentation

The first critical element of this component is the systematic and structured capture of knowledge and lessons learned throughout the project. This will be done through the following methods:

- **Regular monitoring and evaluation (M&E) reports:** throughout the project, the monitoring and evaluation framework will document both quantitative and qualitative data on project progress. These reports will go beyond standard metrics to include reflections on what worked, what didn't, and why certain approaches were more effective than others. Key factors such as the effectiveness of climate adaptation measures, the success of stakeholder engagement, and community response to implemented interventions will be evaluated;
- **Thematic learning workshops:** workshops will be held at critical points in the project timeline (mid-term, after key interventions, and at project close) to bring together project teams, local communities, regional authorities, and external experts. These workshops will facilitate reflection on project activities, foster peer learning, and allow stakeholders to discuss adaptive management strategies. Structured sessions will be held to capture practical insights from the field, particularly regarding ecosystem restoration, sustainable agriculture, and community-based flood prevention efforts.
- **Case study development:** key interventions, such as the introduction of climate-resilient crops, forest reclamation, and waste management pilots, will be documented as case studies. These case studies will provide in-depth analysis of the conditions for success, challenges encountered, and the socio-economic and environmental impacts of the interventions. The documentation will focus on both the technical aspects of implementation (e.g., soil and water management practices) and the social dimensions (e.g., community engagement, gender inclusion);
- **Stakeholder feedback loops:** stakeholder engagement will be central to capture knowledge. Feedback mechanisms will be established where communities, regional authorities, and partner organizations can provide real-time insights into the project's impacts. This feedback will be collected through focus group discussions, surveys, and participatory meetings, ensuring that lessons are derived directly from those who experience the interventions firsthand.

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2. Internal and external dissemination

Once knowledge has been captured, the next step is to ensure it is disseminated effectively to maximize its utility for both internal learning and external sharing with a broader audience. The dissemination strategy will involve several tailored approaches for different audiences:

- **Internal learning for adaptive management:** for internal stakeholders, including the project management team and local implementing partners, the lessons learned will be used to refine and adjust ongoing activities. An internal knowledge-sharing platform will be established where team members can upload and access reports, case studies, and workshop findings. Regular internal briefings and learning sessions will be organized to ensure that project teams are continuously improving and applying insights as the project evolves. This iterative learning process will enhance the project's capacity to adapt to emerging challenges and opportunities;
- **National and regional dissemination:** to ensure that lessons learned are shared with national and regional stakeholders, national adaptation forums will be organized in collaboration with government agencies, local municipalities, and NGOs. These forums will provide a platform for sharing project results, discussing successful adaptation models, and fostering cross-sectoral learning. Special attention will be paid to sharing technical knowledge related to ecosystem restoration, climate-resilient agriculture, and flood prevention infrastructure, providing stakeholders with actionable insights for scaling these interventions in other regions;
- **Production of knowledge products:** knowledge products such as policy briefs, technical manuals, and best practice guides will be developed to communicate lessons learned to a wider audience. For instance, manuals on climate-resilient agricultural practices or waste management in flood-prone areas will provide detailed guidance that can be adopted by other municipalities or regions. These documents will be tailored to different audiences, including policymakers, regional planners, and civil society organizations, ensuring accessibility and relevance
- **Digital knowledge sharing:** the EPIU's website will serve as the primary platform for the project's knowledge management system, providing stakeholders with access to all project-related knowledge products. The website will feature a resource hub with downloadable materials such as reports, case studies, videos, and training materials. Additionally, key lessons and insights will be disseminated through EPIU's existing digital channels, including social media platforms and regional climate adaptation networks, to ensure broader visibility and engagement with other climate adaptation practitioners and the general public.

3. Capacity building through knowledge transfer

An essential element of the knowledge management component is ensuring that the lessons learned translate into actionable knowledge for local and regional actors. This will be achieved through structured capacity-building activities, including:

- **Training of trainers (ToT) programs:** to ensure that the knowledge gained during the project reaches a broader audience, selected stakeholders from regional governments, local NGOs, and community leaders will be trained as knowledge facilitators. These trainers will be equipped with the skills and materials needed to lead local-level workshops and training sessions on climate adaptation strategies. The ToT approach ensures that knowledge transfer is not limited to project participants but is cascaded throughout communities and local institutions, contributing to long-term capacity building.
- **Community-led learning exchanges:** the project will facilitate peer-to-peer learning exchanges where community members from different regions can visit project sites, observe interventions such as the orchard demonstration sites and forest recultivation efforts, and share experiences. These exchanges will foster cross-community learning, allowing for the adaptation of successful practices in different local contexts. This grassroots knowledge transfer is crucial for empowering local populations to take ownership of climate adaptation measures.
- **Integration into national knowledge systems:** lessons learned from the project will be systematically integrated into national climate adaptation knowledge systems, ensuring that they inform future national

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policies and strategies. By collaborating with national research institutions and government agencies, the project will contribute to the body of knowledge that shapes Armenia's broader adaptation agenda. Additionally, the project's findings will be shared with Armenia's international partners and the Adaptation Fund, ensuring that they contribute to the global discourse on climate resilience.

4. Monitoring and continuous learning

The knowledge management component is designed to be dynamic and adaptive, allowing for continuous learning throughout the project's lifecycle. The Monitoring and Evaluation (M&E) team will play a key role in tracking the effectiveness of knowledge management activities, ensuring that lessons learned are not only captured but also applied to improve project outcomes. Key indicators related to knowledge dissemination and capacity building will be integrated into the M&E framework, allowing for the regular assessment of knowledge transfer effectiveness and stakeholder engagement.

Feedback from stakeholders, particularly community members and local governments, will be actively sought throughout the project, allowing for real-time adjustments to knowledge management activities. This feedback loop ensures that the learning process remains participatory and reflective of the needs and realities of those most affected by climate change.

B. Describe how the project/programme provides economic, social and environmental benefits, with particular reference to the most vulnerable communities, and vulnerable groups within communities, including gender considerations. Describe how the project/programme will avoid or mitigate negative impacts, in compliance with the Environmental and Social Policy and Gender Policy of the Adaptation Fund.

The Project aims to address the critical challenges posed by climate change in Armenia, with a focus on enhancing the resilience and adaptive capacity of vulnerable communities. The project is centered around three core components: restoration of natural landscapes, disaster risk reduction, knowledge sharing and capacity building. Each of these components is carefully designed to provide substantial economic, social, and environmental benefits, especially for marginalized and vulnerable groups within the target communities. This project aligns with the Environmental and Social Policy and Gender Policy of the Adaptation Fund, ensuring that gender considerations, equal access, and the active participation of women and marginalized groups are prioritized. In addition, the project incorporates robust environmental and social risk management strategies, ensuring that potential negative impacts are mitigated, and long-term sustainability is achieved.

Through its focus on climate-resilient infrastructure, sustainable agricultural practices, and community-driven capacity building, the Artik Project will significantly contribute to the socio-economic development of the region while protecting and restoring the natural environment. The project's holistic approach ensures that it not only addresses immediate climate adaptation needs but also lays the foundation for sustainable development, inclusivity, and resilience in the face of future climate challenges.

Economic, social and environmental benefits and mitigation of negative impacts.

The project provides a comprehensive approach to addressing climate change impacts on vulnerable communities by delivering economic, social, and environmental benefits across three components, with special attention to marginalized and vulnerable groups, including gender considerations. Each component contributes uniquely to these objectives, outlined in the table below.

Table 4: Economic, social, and environmental benefits and mitigation of negative impacts

Components	Economic benefits	Social benefits*	Environmental benefits	Mitigation of negative impacts
<u>Component 1:</u> <u>Restoration, management and increase of adaptation potential of natural landscapes</u>	Improved productivity of the land (1635 ha), generating long-term economic returns from sustainable forestry (10 ha), potential agroforestry, and eco-tourism activities. Reduction of maintenance costs from environmental degradation.	Providing direct employment opportunities in forestry activities, engaging local community members, including marginalized groups, and providing training in sustainable land management. Benefits from continued	Enhanced biodiversity, stabilized soil, and reduced erosion and carbon sequestration. Improved ecosystem services such as water regulation and further reduce of carbon emissions through continued forest growth.	Ensure that forestation is done sustainably. Continuous monitoring and adaptive management. Ensure that perennial plant species chosen are compatible with local ecosystems and do not negatively impact local water resources or biodiversity. Usage of environmentally friendly fertilizers and irrigation techniques.

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	<p>Economic returns from timber, non-timber forest products, and potential carbon credits.</p> <p>Economic sustainability of local farmers who rely on these ecosystems.</p> <p>Reduction of land degradation and improvement of the long-term productivity of rangelands (900 ha of perennial sowing areas of perennial plants), benefiting local pastoralists and increasing the resilience of livestock-based livelihoods.</p> <p>Ensuring food security for the communities and creation of opportunities for export or sale to new markets.</p> <p>Enhanced waste management and recycling systems (3 waste management plans).</p> <p>Diversities of income sources for local farmers.</p> <p>Learning of best</p>	<p>employment and skill-building in forest management.</p> <p>Benefits from increased food security and managing of perennial sowing areas.</p> <p>Providing of food and income stability, increased involvement of vulnerable groups, particularly women farmers, in decision-making and capacity-building programs.</p> <p>Enhanced community health and sanitation, reducing exposure to waste-related diseases and improving living conditions for all community members.</p> <p>Equitable distribution of land restoration efforts.</p> <p>Providing educational opportunities for farmers, also including vulnerable groups, particularly</p>	<p>Reduced risk of soil degradation and water overuse, improving long-term agricultural productivity.</p> <p>Decreased pollution and improved environmental quality, contributing to cleaner water sources.</p> <p>Rehabilitated ecosystems, restored biodiversity, halted degradation.</p> <p>Sustainability in agricultural practices and reduced risk of crop failure due to climate variability.</p> <p>Integrated climate-adaptive features, such as water-efficient systems and energy-saving technologies.</p> <p>Reduced economic risks are associated with adopting innovative, climate-resilient methods.</p>	<p>Strict waste management protocols implementation.</p> <p>Mapping, which provides the foundation for targeted restoration efforts.</p> <p>Ensure that infrastructure development does not result in the loss of natural habitats or cause significant changes to local land use patterns.</p> <p>Ensure that the orchards are established using sustainable water and soil management practices to avoid environmental degradation.</p> <p>Ensure minimal disruption to ecosystems and adherence to sustainable practices during construction and implementation.</p> <p>Implementation of awareness-raising programs.</p>
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	<p>practices in orchard management, where vulnerable groups, including women can be involved (30 ha of intensive orchards in 3 communities).</p> <p>Minimization of construction and operational costs.</p> <p>Reduction of risks for farmers and enhancing their financial stability</p>	<p>women.</p> <p>Better operating infrastructure facilities.</p> <p>Ensuring continuity of livelihoods even during adverse climatic conditions, enhance of financial security. <i>(in total 32,000 direct beneficiaries in 10 settlements of 3 communities)</i></p>		
<p><u>Component 2:</u> <u>Prevention and Management of Floods</u></p>	<p>Reduction of long-term costs related to flood damage repair for households and businesses. It protects agricultural lands, which are critical for the livelihoods of local farmers, ensuring continued productivity and economic stability.</p> <p>Enhanced connectivity between communities, improving access to markets, health services, and education facilities.</p> <p>Increased efficiency of transportation, reducing travel times and costs</p>	<p>Enhanced safety and protection from floods. Reducing flood risks will protect critical infrastructure such as schools, roads, and health facilities, which are essential for community well-being.</p> <p>Improving public safety and reducing traffic-related accidents, particularly benefiting vulnerable groups such as children and the elderly.</p> <p>Ensuring safer access to essential services, such as hospitals and schools, especially during</p>	<p>Mitigation of risk of soil erosion and waterlogging, preserving agricultural land and natural habitats, preventing damage to riverbanks and surrounding ecosystems.</p> <p>Reduced emissions and improved air quality.</p> <p>Resilient infrastructure with minimized environmental footprint.</p>	<p>Ensure that maintenance activities do not disrupt local ecosystems and infrastructure remains effective and well-maintained without adverse social or environmental impacts.</p> <p>Regular monitoring and environmental assessments.</p> <p>Construction and renovation of roads, minimal disruption to local ecosystems and communities.</p> <p>Ensure that the natural landscape and habitats are preserved, implementation of dust control and safe waste disposal.</p>

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	<p>for local businesses and farmers who depend on the roads to transport goods.</p> <p>Protection of local businesses and residential areas from damage caused by heavy-duty vehicle traffic during flood seasons</p>	<p>periods of heavy rainfall or flooding.</p>		
<p>Component 3: <u>Awareness raising and capacity building</u></p>	<p>Enhanced economic returns from rehabilitated lands.</p> <p>Productivity of agricultural lands.</p> <p>Reduced costs.</p> <p>Increased economic resilience.</p> <p>Economically viable decision-making procedure regarding land use.</p>	<p>Reduced vulnerability to environmental shocks.</p> <p>Learning of skills to adapt to climate impacts.</p> <p>Better preparation in case of floods.</p> <p>Proactive approach in managing of environment.</p> <p>Raise of awareness on climate risks.</p>	<p>Increased knowledge and awareness, including community engagement.</p> <p>Reduced environmental degradation.</p> <p>Improved flood management.</p>	-

*Social benefits are presented and taken into account the results of Gender Assessment (Annex I). Also, it is worth to mention that detailed description of gender related approaches is presented in Gender Action Plan (Annex II).

Gender considerations

One of key points of the Project is to reveal the gender issues and ensure, that vulnerable groups, especially women will have proper benefits as a result of Project implementation. For these points Gender Assessment was implemented and is presented in Annex I of this document. In order to ensure the proper managing system of gender-related benefits, the Gender Action Plan (GAP), including GRM (Grievance Redress Mechanism) is developed. Details are presented in Annex II. The project will provide women and men regardless of their background, age, class, ability or gender equality with an equal opportunity to strengthen their agency, build their resilience, address their differentiated vulnerabilities and increase their capability to adapt to climate change impacts and interlinked challenges. The project promotes equal access to resources and aims to avoid gender biases by ensuring that

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women participate in the management and use of the restored landscapes. Additionally, a grievance redress mechanism (GRM) will be established to address community concerns during the implementation.

The project is designed in compliance with the Environmental and Social Policy and the Gender Policy of the Adaptation Fund. It includes environmental assessments and risk management plans that identify potential risks (e.g., soil erosion, water resources) and mitigation measures (e.g., sustainable farming practices, erosion control methods).

This comprehensive approach will ensure that the program delivers economic, social, and environmental benefits to the targeted vulnerable populations, particularly women and marginalized groups, while avoiding or minimizing any negative impacts.

C. Describe or provide an analysis of the cost-effectiveness of the proposed project/programme.

The cost-effectiveness of the proposed project is based on its ability to implement sustainable, long-term interventions that maximize environmental, social, and economic benefits while minimizing costs through strategic design and innovative approaches. The project achieves this by building on lessons learned from the pilot stage, focusing on replicable and scalable solutions that reduce the financial burden on public resources.

Key interventions such as soil reclamation and the establishment of forests in degraded areas provide long-term benefits, including carbon sequestration, biodiversity conservation, and reduced soil erosion. While these interventions involve higher upfront costs compared to alternatives like grassland restoration, they offer substantial cost savings over time due to lower maintenance needs and the ability to generate economic returns through ecosystem services. Similarly, the introduction of climate-resilient agricultural practices and waste management solutions in target communities significantly reduces operational costs and enhances productivity, leading to higher profitability and improved livelihoods.

The project's emphasis on utilizing locally sourced materials and labor, coupled with the engagement of private sector partners, further enhances its cost-effectiveness. The involvement of a private financier for high-value agricultural models ensures a shared risk model, lowering the financial burden on public or donor funding. This approach allows the project to generate economic returns while simultaneously contributing to environmental restoration.

In addition, the project's training and capacity-building components ensure that local communities and authorities are equipped with the skills necessary to sustain project outcomes, reducing the need for expensive external consultants and fostering local ownership. By involving local stakeholders in decision-making and leveraging community-led implementation efforts, the project minimizes costs while ensuring that its interventions are aligned with local needs and capacities.

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Table 5: Benefits from proposed interventions, alternatives, and reasons for not adopting.

Output	Alternative measure	Reason for not adopting	Cost effectiveness rationale
<p>Output 1.1 - Soil cover of mine adjacent to Ani community is recultivated (10 ha of forest cover will be created)</p>	<p>Usage of grassland / meadow restoration practices</p>	<p>Both forest creation and grassland are considered as effective recultivation options of abandoned mine sites. Grassland restoration usually requires lower initial investments, since grasses are faster growing and require less care. However, they require periodic maintenance and usage of large amounts of water over time. Forests offer substantial long-term benefits, including carbon sequestration, biodiversity, and potential economic returns from ecosystem services, such as eco-tourism. Moreover, once established, forests may require less frequent maintenance than other ecosystems.</p>	<p>While grasslands offer short-term cost-effectiveness, ease of establishment, and quick soil stabilization, forests provide greater long-term benefits in terms of biodiversity, carbon sequestration, soil stability, and the potential for economic returns through ecosystem services. Although forests have higher initial costs due to the need for tree planting and longer periods of maintenance, they become highly self-sustaining in the long term. Once established, a forest requires less frequent intervention and provides a robust, long-term solution to soil stability.</p>
<p>Output 1.2 - Forest grove established with support of previous project is taken care of and became sustainable</p>	<p>No specific actions to take care of the forest grove.</p>	<p>In the initial stages of establishment, forests required long-term investment, as there is a need for ongoing maintenance, such as protection against pests, diseases, and fire hazards, watering etc. If no maintenance activities are taken it can lead to high mortality rates of planted trees, poor growth and increased costs in future for replanting and restoring the area.</p>	<p>Taking care of a forest grove established by a previous project is significantly more cost-effective than neglecting it. The international practice shows that without maintenance, young trees can experience mortality rates of 30-70% within the first few years, which will result in wasted investments. In addition, if maintenance is not properly performed, replanting of trees will be required, which will require higher costs compared to maintenance costs (replanting costs can be up to 10 times more than routine maintenance costs).</p>

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Output	Alternative measure	Reason for not adopting	Cost effectiveness rationale
			Mature forests provide significant carbon sequestration benefits. A well-maintained forest can sequester about 1 ton of CO ₂ per year for every 1,000 trees. This is around 20 tons of CO ₂ sequestered over 20 years, having a market value in carbon credit trading systems (USD 15-50 per ton on average), of USD 300 to USD 1,000 for 1,000 trees.
Output 1.3 - Sowing areas of perennial plants are created reducing rangeland degradation and enhancing the adaptability of degraded arable lands in Ani, Ashotsk and Artik communities (900 ha of perennial sowing area established)	Cultivation of annual crops	Annual fodder crops require annual soil cultivation, higher costs, irrigation and fertilization are necessary to obtain a high yield, as well as result in less biomass than perennial crops.	Perennial fodder crops require lower operating costs. These crops can yield 2-3 harvests per year with comparatively larger volumes of biomass obtained compared to traditional annual crops. Also, they use natural water efficiently and can grow even in drought conditions, contributing to the improvement of soils structure and the accumulation of organic nitrogen compounds in soil. Finally perennial fodder crops are about 1.5-2 times more profitable than annual fodder crops, offering farmers a higher return of investments.
Output 1.4 - Crop yield and crop quality of the adjacent natural-landscapes is increased in Ani, Ashotsk and Artik communities (45 ha hay meadows and 570 ha pastures)	Farmers continue using existing practices without the introduction of climate-adaptive techniques or additional support.	Reactive approaches will leave agricultural systems highly vulnerable to climate shocks, leading to declining yields and worsening quality over time. Lower adaptation potential. Low level of crop yield. Longer rehabilitation periods.	Support ecosystem services and biodiversity, which help maintain crop health and yield without ongoing financial inputs. Rehabilitation can increase crop yields by 10-20% due to improved soil health and reduced erosion. Due to high-quality forage, milk production can increase by 10-15% in dairy cattle.
Output 1.5 - Waste collection practices are introduced in Ani, Ashotsk and Artik communities (garbage tracks, bins and collection) and pilot program for integrated	No waste collection and waste management practices are introduced in the target communities	Neglecting waste management will result in environmental pollution. It also contains public health related risks. Missed opportunities of recycling and reusing valuable materials. Increased greenhouse gas	Waste collection and proper management prevents pollution of land, water and air, thus reducing costs necessary for environmental clean-up and restoration. Proper waste collection, sorting and recycling significantly reduces the amount of waste sent to landfills, extending the duration of their

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Output	Alternative measure	Reason for not adopting	Cost effectiveness rationale
management of household waste in the village of Vardakar is implemented		emissions.	operation and reducing the need to establish new ones that are costly to establish and maintain.
Output 1.6 - Mapping of all degraded lands in Shirak region is implemented	Limited assessments are done based on small-scale surveys, focusing only on visibly degraded areas without a detailed analysis of underlying soil health, erosion levels, or other factors.	High risk of natural disasters, such as flooding, landslides etc. High risk of losing biodiversity. Incomplete understanding of the extent and distribution of land degradation. Without comprehensive mapping, any restoration or rehabilitation initiatives will lack a solid foundation, making it difficult to prioritize interventions and track progress over time.	Mapping helps to accurately identify areas affected by degradation and conduct targeted interventions, thus improving efficiency of any restoration and rehabilitation activities. Mapping helps allocate limited resources (labor, materials, funds) more efficiently to areas where they will have the greatest impact. Mapping allows us to identify areas where restoration could improve land fertility and support sustainable agricultural practices, resulting in increase of incomes of farmers.
Output 1.7 - Infrastructure for piloting high value agriculture models (including new types of climate resilient crops) at 100 ha of degraded land is implemented with the commercial lending from private financier engaged (construction of the facilities)	Small-scale trials are conducted on individual farmer plots using basic, low-cost methods.	Without comprehensive infrastructure, efforts may not yield significant results, and the potential of the land may remain untapped. This would limit: <ul style="list-style-type: none"> ➢ Learning opportunities and reducing the impact of the intervention. ➢ the scope to fragmented areas with minimal infrastructure, such as basic irrigation systems and temporary shelters, without robust facilities. 	Engaging a private financier reduces the financial burden on public or donor funds, enabling a shared risk model and ensuring that resources are used efficiently. By piloting high-value crops with the right infrastructure, the intervention can generate significant economic returns, both in terms of yields and quality, making it a viable model for replication. Private sector involvement ensures that the infrastructure is managed with a profit-oriented mindset, enhancing the sustainability of the initiative beyond the project period.
Output 1.8 - Demonstration sites for intensive orchards in all beneficiary communities are constructed (10 ha in each community)	Conducting training on establishment and management of high-density (intensive) orchards	Conducting training increases the level of awareness and knowledge of the participants to a certain extent, but it does not always become a basis for the practical application and implementation of these practices in everyday life. Farmers will be reluctant to	Demonstration sites provide practical examples and insights into effective orchard management. Establishment of intensive orchards with drip irrigation system and anti-hail nets, contributes to reduced water usage, reduction of crop loss, improvement of quality of harvested yield and productivity of the orchard.

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Output	Alternative measure	Reason for not adopting	Cost effectiveness rationale
		<p>change their agricultural practices only based on lessons. They do it if there is a practical successful example in their community.</p> <p>The creation of demonstration sites for intensive orchards will have a more targeted impact on farmers to put these into practice.</p>	<p>This activity can demonstrate cost-effectiveness of establishing intensive orchards.</p> <p>Demonstration of sustainable agricultural practices and integrated pest management techniques in the orchards significantly reduce operating costs (chemical fertilizers and pesticides).</p>
<p>Output 1.9 - Architecture and design work for all components are carried out</p>	<p>There is no alternative, as it is required by the RA legislation</p>	<p>Neglecting implementation of this task will lead to fines and illegal actions</p>	<p>Architectural and construction design can propose the best and most effective options for solving the problem, leading to cost reduction, increasing the comfort of further operation and extending the life cycle.</p>
<p>Output 1.10 - Index insurance piloted in beneficiary municipalities</p>	<p>Application of traditional crop insurance</p>	<p>Traditional insurance is applied when losses occur. It is based on assessment of losses and is time consuming and costly.</p> <p>Because of these costs, this insurance has high premiums.</p>	<p>As payouts of index insurance is based on predefined indices and there is no need to visit farms and assess losses, it has lower administrative costs than traditional insurance.</p> <p>Payouts are provided automatically, based on objective data, which is faster compared to traditional insurance.</p> <p>It protects farmers from the financial risks associated with climate-induced crop failures and ensures financial savings which could be used for further development of production capacities.</p>
<p>Output 2.1 - Infrastructure constructed during the pilot project is maintained</p>	<p>The infrastructure constructed during the pilot project is left without regular maintenance or upkeep, leading to gradual degradation.</p>	<p>The infrastructure will quickly degrade, losing its functionality and reducing the impact of the initial investment.</p> <p>Reactive maintenance is often more expensive than regular upkeep, leading to increased long-term costs and inefficient use of resources.</p>	<p>Regular maintenance prevents major breakdowns and costly repairs, ensuring the longevity of the infrastructure and minimizing downtime.</p> <p>Without maintenance, rehabilitation of constructed infrastructure can be 3 to 10 times more expensive than regular, minor repairs.</p> <p>Maintenance extends use lifespan of the infrastructure, ensuring effective operation of supply chains, access to market and contributing to</p>

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Output	Alternative measure	Reason for not adopting	Cost effectiveness rationale
			additional economic benefits and incomes for population of communities and community budgets
Output 2.2 - Road infrastructure (two small bridges and renovation of existing road) is advanced to divert the heavy-duty vehicles away from the adjacent to the mine communities	Discussions with mine operators and drivers of heavy-duty vehicles asking to change their route	Changing the transportation route not only brings additional expenses for drivers and operators but could impact on soil structure of the new route resulting in new environmental challenges and potential social issues for neighboring communities. In addition, provision of detailed explanation about environmental impact of current practices does not guarantee that drivers and operators will decide to reroute if they don't see economic benefits.	Road infrastructure renovation provides labor opportunities for people of surrounding communities. Purchase of renovation materials, construction equipment, etc. brings positive economic effects as well. In the long-term perspective better logistics, improved access to markets, educational facilities, and health services have positive economic impact on communities.
Output 3.1 - The level of knowledge on effective recovery methods of regional governments and municipalities on degraded natural and agro landscapes will be increased	Outsourcing recovery efforts to external consultants or service providers	Without building capacities of local and regional authorities, communities will not be able to maintain and conduct recovery measures independently. This also will reduce the local ownership over recovery actions, leading to lower commitment to maintaining and upholding restoration efforts.	Improving knowledge and skills of regional and local authorities ensures their active participation in and contribution to climate change adaptation, nature degradation prevention and recovery activities. Recovery of natural landscapes can restore soil fertility and reduce erosion, leading to higher agricultural productivity.
Output 3.2 - The knowledge level of the population on natural and agro landscape adaptation to climate change will be increased	Government-led adaptation measures without involvement of community population	Insufficient knowledge among population, resulting in resistance or non-acceptance from locals of climate adaptation practices	Enhanced knowledge encourages the adoption of climate smart agriculture practices that contribute to more efficient use of resources (water, fertilizers, etc.) Enhanced knowledge helps population to effectively prepare and respond to climate-related challenges and risks, such as droughts, floods, etc.
Output 3.3 - Increasing the knowledge level of the population on the	Rely on emergency response system	Inadequate skills and knowledge among population and increased vulnerability that could cause loss of life,	Increasing the knowledge of population can support implementation of proactive measures to be prepared for

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Output	Alternative measure	Reason for not adopting	Cost effectiveness rationale
occurrence and prevention possibilities of floods		property damage and personal injury.	potential flooding events and reduce the costs associated with flood recovery (renovation and repairing of property, rebuilding of infrastructure, etc.)
Output 3.4 - Promoting the importance of sustainable thinking, learning and dissemination of information related to the landscape adaptation to climate change in communities	Promotion only among limited number of direct beneficiaries	This will involve only limited number of people not bringing the necessary knowledge to the general public.	Sustainable practices can contribute to reduction of costs related to land degradation and water scarcity, helping communities avoid the financial burdens of environmental damage and restoration
Output 3.5 - The involvement of local media and environmental NGOs in the process of mitigating the negative effects of climate change will be increased	No active cooperation with media and NGOs	Media and NGOs play a key role in the process of mitigating the negative effects of climate change. Their increased involvement will help in raising awareness, educating the public, advocating for policy changes, and facilitating community actions.	Involvement of the media and NGOs is a cost-effective way to disseminate information about climate change risks, adaptation measures, and best practices. Increased involvement of media and NGOs helps educate people on sustainable practices, resulting in long-term cost savings by preventing environmental degradation, soil erosion, or ineffective land-use practices.

D. Describe how the project/programme is consistent with national or sub-national sustainable development strategies, including, where appropriate, national adaptation plan (NAP), national or sub-national development plans, poverty reduction strategies, national communications, or national adaptation programs of action, or other relevant instruments, where they exist.

Proposed Project is architected around key national development strategies and aligned with relevant sectorial policies, frameworks and strategies at the national and sub-national levels. More specifically, the alignment is demonstrated through:

- The project is highly relevant to [Armenia's revised NDC for 2021-2030](#) through the focus on mitigating land degradation, desertification, and the adverse effects of climate change on agriculture aligns with the country's commitments under its revised NDCs. The NDC includes prioritization of sustainable land use, water resource management, and the adoption of climate-resilient agricultural practices. By addressing the specific vulnerabilities of different soil and land zones and acknowledging the projected shifts in ecosystems due to climate change, the project directly contributes to the objectives set in the NDCs. Furthermore, the emphasis on adapting agricultural practices to reduce vulnerability to natural hazards such as droughts, hailstorms, and erosion is in line with the adaptation strategies outlined in the revised NDCs. By implementing measures to

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increase the resilience of the agricultural sector, Armenia not only works towards securing its food supply and livelihoods of its rural population but also contributes to its broader climate goals.

- **National Adaptation Plan (NAP¹⁶), Sectorial Adaptation Plans (SAPs for Water and Agriculture), and Marz Adaptation Plans (MAPs):** The project is aligned with the triangular adaptation building framework comprised of NAP, SAPs and MAPs (these two are largely discussed with stakeholders but not finally approved) that provides a roadmap for adapting to climate change, identifying priorities, and integrating adaptation into national planning processes. The Project is aligning its objectives, activities, and outcomes with the priorities and goals outlined in the NAP, SAPs and MAPs. Armenia's National Adaptation Plan (NAP) illuminates the critical climate vulnerabilities the nation faces, including land degradation, unsustainable agricultural practices, and the increasing frequency of floods and droughts. To combat these challenges, the plan outlines a series of necessary legal acts for enactment. However, while sectorial adaptation plans offer a detailed vision for financing and infrastructure needs in the agricultural and water sectors, these plans are yet to receive approval. These plans are pivotal in addressing the key challenges and barriers specific to these sectors. Furthermore, the Marz (regional) adaptation plans provide a tailored approach to region-specific needs, outlining action plans to tackle localized issues effectively. Despite these efforts, the overall framework of Armenia's NAP remains somewhat vague. This ambiguity is anticipated to be addressed through the NAP-2 process, recently announced by the Green Climate Fund (GCF). This initiative is aimed at advancing the NAP framework, ensuring a more robust and effective approach to climate adaptation. Integral to this process is the development of the NAP Financing Strategy. This strategy is crucial as it aims to comprehensively plan and coordinate the adaptation process, address existing gaps, and facilitate private sector engagement. The emphasis on a coherent financing strategy underscores the importance of a well-structured approach to climate adaptation, ensuring that both public and private resources are utilized effectively to meet Armenia's climate resilience goals.
- **National Development Plans:** The Project is aligned with the country's national development plans (e.g. [Government Strategy for 2022-2026](#)), which outlines the government's overall development objectives and strategies. By aligning with this document, the Project can contribute to the achievement of broader national development goals and ensure coherence in resource allocation. Armenia's national development plans are a comprehensive effort to enhance the resilience of the country's regions to climate change, while also removing barriers to the growth of the agricultural sector through the implementation of targeted strategies. Central to these plans is the government's commitment to agricultural advancement, which includes a multi-faceted approach to improving infrastructure, technology, and resource management in the sector. This includes a significant push to expand intensive gardens by 1,000 hectares annually and to fully insure agricultural plants within the next five years, with a substantial subsidy for insurance fees. Additionally, the government plans to increase accessibility to financial resources through continued subsidization of agricultural loan interest rates and to encourage the adoption of modern irrigation systems by reimbursing irrigation water fees for lands up to 3 hectares. The infrastructure and technological aspects of agriculture are also receiving focused attention. The government aims to update the agricultural machinery inventory with at least 500 new units each year and to subsidize the production of high-value and organic plants. This effort is supplemented by support for greenhouse economies and the promotion of modern data analysis in agricultural enterprises. The aim is to create a more efficient, sustainable, and technologically advanced agricultural sector that can adapt to the challenges posed by climate change. In addition to these measures, the plans place a strong emphasis on animal husbandry and food processing. This includes the introduction of a system for numbering and recording animals, improving pedigrees, and providing resources for building modern livestock facilities. The government also intends to continue supporting the leasing of agro-food equipment, which will aid in dairy production and processing, and promote the construction of slaughterhouses. To bolster the agricultural market, efforts are being made to foster local seed breeding and to finance the creation of wholesale markets, logistics centers, and collective warehouses. The overall strategy is rounded off with plans to improve food safety legislation

¹⁶ https://unfccc.int/sites/default/files/resource/NAP_Armenia.pdf

and promote the effective use of agricultural lands, underscoring the government's comprehensive approach to fostering a robust, sustainable, and climate-resilient agricultural sector.

- **Sectoral Strategies and Plans:** The Project is aligned with the “Strategy of the Main Directions Ensuring Economic Development in Agricultural Sector of the Republic of Armenia for 2020-2030”, other relevant sectoral strategies and plans, such as that forestry, water resources, and disaster risk reduction. This alignment ensures that the project contributes to the resilience and sustainability of key sectors. The strategy is acutely relevant to the country's agricultural development needs, particularly in addressing land degradation and promoting high-value agriculture. The strategy's emphasis on expanding intensive gardens by 1,000 hectares annually reflects a concerted effort to counteract land degradation. By increasing arable land dedicated to high-yield, high-value crops, the strategy aims to enhance soil quality and productivity. This expansion is critical in a country where agriculture accounts for a significant portion of the economy and employs a large segment of the population. The move towards high-value agriculture, which includes the cultivation of organic, and specialty crops, represents a shift from traditional, lower-value farming practices. This shift is expected to increase the profitability of the agricultural sector and offer new opportunities for farmers.

The strategy's focus on modernizing agricultural practices and infrastructure is also pivotal in addressing land degradation. Initiatives like the full insurance of agricultural plants and subsidizing up to 70% of seed acquisition for spring and autumn sowing are designed to reduce the risks associated with farming, encouraging investment in better farming practices. Furthermore, the plan to introduce modern systems of drip and/or rain irrigation in land parcels of up to 3 hectares, with full reimbursement of the fee for irrigation water for a term of 5 years, indicates a move towards more sustainable water management practices. Efficient irrigation is crucial in a country like Armenia, where water resources are limited and the impacts of climate change are intensifying issues like drought and irregular rainfall patterns. Additionally, the government's commitment to updating its agricultural machinery inventory with at least 500 units each year, and supporting the establishment of greenhouse economies, aligns with the needs for sustainable agricultural development. These initiatives not only enhance productivity but also promote environmentally friendly practices that are vital for mitigating land degradation. By investing in technology and infrastructure, Armenia is positioning its agricultural sector to be more resilient, efficient, and capable of producing high-value products, which are increasingly in demand both domestically and in international markets. This holistic approach, combining land management, technological advancement, and market-oriented policies, is essential for a sustainable and prosperous agricultural future in Armenia.

- **National Communication N4 to UNFCCC:** The Project considers the climate vulnerabilities and adaptation priorities outlined in the country's National Communications N4 to the United Nations Framework Convention on Climate Change (UNFCCC). These communications provide an overview of the country's climate change vulnerabilities, adaptation efforts, and capacity-building needs. Armenia's agricultural sector faces significant vulnerabilities due to natural hazards and climate change, with these impacts varying across different land zones and crops. The country is particularly susceptible to land degradation and desertification, affecting approximately 80% of its territory. This degradation is a result of both natural factors, like water and wind erosion, droughts, landslides, and anthropogenic activities. Climate change further exacerbates these issues by contributing to the vulnerability of organic carbon reserves in soils. Key projections for the next 100 years indicate a worrying trend for Armenian agriculture. Soil moisture levels are expected to decrease by 10-30%, impacting the moisture provision for various crops by 7-13%. This will lead to a shortage of water for irrigation, increasing soil water deficits by 25-30%. The productivity of irrigated land could be reduced by about 24%, and there will be a notable degradation of lands and natural pastures. Pasture area and productivity might decrease by 4-10% by 2030, with a corresponding decline in fodder production volumes. Crop yields are also projected to drop by 8-14%. Hazardous hydrometeorological phenomena like hailstorms, frosts, heat waves, and droughts will significantly impact agricultural crop yields. The terrestrial ecosystems are also expected to undergo significant shifts. Vertical shifts of up to 250-300 meters in the existing boundaries of main natural ecosystems are anticipated, with a reduction in the surface area of the alpine zone by about 22% and an expansion of sub-alpine tall-grass and wetlands. Forest ecosystems might expand into current meadow areas,

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and semi-desert vegetation is likely to be preserved with an expansion of the phryganoid zone. A new desert zone is projected to emerge, expanding the desert and semi-desert area by about 33%. Soil ecosystems will also be affected, with changes in natural vegetation leading to structural shifts in lands and increased vulnerability to landslides. Erosion is a significant concern, with various soil zones showing differing levels of erosion, indicating that if current land use practices continue alongside these climate change forecasts, the area of eroded soils is expected to expand. Overall, these vulnerabilities underline the urgent need for adaptive strategies in Armenia's agricultural sector to mitigate the impacts of climate change and natural hazards.

- **International partnership and reporting framework** - Armenia ratified the United Nations Framework Convention on Climate Change (UNFCCC) in 1993, the Kyoto Protocol in 2002 and the Paris Agreement in 2017. The country's position under the Convention and the Paris Agreement is set out in the "Intended Nationally Determined Contributions" (INDC), approved by the Government of Armenia (GoA) and submitted to the UNFCCC on 22 September 2015. With the ratification of the Paris Agreement, the INDC of Armenia became its NDC for the period of 2015 – 2050. In its updated in 2021 NDC, the Republic of Armenia intends to adhere to a ten-year NDC implementation period (2021-2030), including up-front information on the emission reductions to be achieved by 2030 and on adaptation measures to be undertaken as part of the NDC. Armenia's NDC establishes the country's strong commitment to climate change adaptation measures and identifies its efforts in national greenhouse gas mitigation efforts. In Armenia, key sectors identified for adaptation action include natural ecosystems, human health, water resources management, agriculture, forestry, and fisheries, energy, human settlements, infrastructure, and tourism. Country has also delivered its Fourth National Communication on Climate Change (in 2020) and its Third Biennial Report (in 2021) under the UNFCCC.

Demonstrating alignment with national and sub-national sustainable development strategies enhances the Project's credibility, fosters collaboration with government agencies and stakeholders, and increases the likelihood of sustained support for the Project's implementation and its long-term benefits to the country's development goals.

E. Describe how the project/programme meets relevant national technical standards, where applicable, such as standards for environmental assessment, building codes, etc., and complies with the Environmental and Social Policy of the Adaptation Fund.

General compliance with Adaptation Fund Guidelines

The project is fully aligned with the Adaptation Fund's Environmental and Social Policy (ESP) and meets relevant national technical standards in Armenia. The project proposal includes a Gender Assessment and GAP, which will advise Gender equality related activities. Furthermore, the EPIU will be guided by its Gender policy and Grievance mechanisms developed in consultation with AF.

This includes a commitment to assess and mitigate environmental and social risks by utilizing the Fund's risk classification system (Categories A, B, and C).

- **Category A:** Activities that may have significant adverse environmental or social impacts that are diverse, irreversible, or unprecedented. All category A projects require a full ESIA and other special studies (RAP, biodiversity management study, etc.) with in-depth climate adaptation assessment and consideration of the aspects related to climate change adaptation (climate resilience) and mitigation. The project does not foresee activities falling under Category A, as it has been designed to avoid such high-level risks.
- **Category B:** Activities that may have potential adverse environmental or social impacts that are typically site-specific and largely reversible. Many of the project components, such as reforestation and infrastructure development, fall under **Category B**. A full **Environmental and Social Impact Assessment (ESIA)**, and **Environmental Management Plan and Climate adaptation and mitigation plan** will be conducted for these activities to identify risks and ensure the development of appropriate mitigation strategies.

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- **Category C:** Activities that are likely to have minimal or no adverse environmental or social impacts. Activities such as capacity building, community training, and awareness-raising fall under **Category C** and will not require an extensive environmental or social impact assessment but will still be monitored for any unforeseen risks, a partial ESIA or a simple ESMP will be sufficient based on project specifics.

The overall Category of the Project is classified as **Category B**, taking into consideration that several components of the Project may have potential adverse environmental or social impacts. It is worth mentioning that only projects registered as B or C will be funded.

A **Grievance Redress Mechanism (GRM)** will be established to ensure that community concerns related to environmental or social risks are addressed transparently and efficiently. Additionally, **monitoring** and **evaluation** will be ongoing to ensure compliance with national environmental laws and **Adaptation Fund** guidelines.

General overview of compliance with Armenian National Laws and Standards

The project is committed to meeting all relevant national technical standards in Armenia, with particular emphasis on environmental, social, and construction-related regulations. These standards ensure that the project operates within Armenia's legal framework and contributes to sustainable development goals. Additionally, the project complies with the **Environmental and Social Policy (ESP)** of the Adaptation Fund, ensuring that environmental and social risks are thoroughly assessed, monitored, and mitigated throughout the project lifecycle.

Compliance with the following Armenian legal instruments will guide the project's execution:

1. **Law on Environmental Impact Assessment and Expertise (HO-110-N, 2014):** Governs the procedures for conducting environmental impact assessments (EIA) and public consultations for projects with potential environmental impacts.
2. **Urban Development Code (2015):** Provides the framework for construction and urban planning in Armenia, including building codes, safety regulations, and energy efficiency standards.
3. **Water Code of Armenia (2002):** Regulates the sustainable use of water resources, water rights, and permits for water extraction and use.
4. **Law on Specially Protected Areas (2006):** Defines the protection and management of Armenia's protected natural areas, ensuring conservation of biodiversity and ecosystem services.
5. **Law on Flora (1999) and Law on Fauna (2000):** Regulates activities affecting Armenia's biodiversity, ensuring sustainable use of natural resources and protection of ecosystems.
6. **Law on Waste (2004):** Governs waste management practices, including the disposal, recycling, and management of hazardous and non-hazardous waste.
7. **Law on Energy Efficiency and Renewable Energy (2004):** Sets standards for energy efficiency and encourages the development of renewable energy sources.

The project complies with key Armenian technical standards, including:

- **Environmental Impact Assessment (EIA):** In compliance with the **RA Law on Environmental Impact Assessment and Expert Examination (2014)**, the project will undergo EIA for activities that pose environmental risks, particularly those involving infrastructure development.
- **Construction and Safety Codes:** All infrastructure-related activities, including flood prevention systems and building renovations, will adhere to Armenian **building codes** and international best practices to ensure safety and environmental sustainability.
- **Waste Management:** Waste management activities, including stone pit waste and community-level waste collection, will follow Armenia's **waste management laws** and guidelines, ensuring the sustainable treatment and disposal of waste materials.

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Category B Outputs: These outputs involve **moderate localized risks** such as soil disturbance, pollution risks, and water resource impacts, which are manageable with proper mitigation strategies like **ESMPs** and **specific management plans**. Each output with Category B will require detailed assessments to ensure proper risk mitigation and compliance with environmental regulations.

Category C Outputs: These outputs are primarily focused on **education, data gathering, and financial instruments**, which pose **minimal to no environmental or social risks**. Minimal documentation is required, primarily focusing on training materials and knowledge-sharing reports.

Component-by-component analysis of compliance with national standards and Adaptation Fund policies

Component 1: Restoration, Management, and Increase of Adaptation Potential of Natural and Agricultural Landscapes

Compliance with the national technical standards

Environmental Impact Assessment (EIA): all activities related to landscape restoration, reforestation, and agricultural development must comply with the Armenian Law on Environmental Impact Assessment and Expertise (2014, updated on 2023). Prior to initiating landscape restoration (Output 1.1 and Output 1.3), EIAs shall be conducted to assess the potential impacts on soil, water resources, and biodiversity, ensuring sustainable project implementation.

Land-use and Forest management regulations: the project adheres to Armenia's Forest Code and related land-use regulations by using sustainable forestry practices (Output 1.2). This ensures compliance with national forest management standards, promoting the regeneration of degraded lands without harming natural ecosystems. For the mapping of degraded lands (Output 1.6), the project complies with national land-use planning regulations, which guide the classification of land and restoration activities.

Agricultural standards: the establishment of perennial crops and the development of climate-resilient agricultural models will follow Armenian Agricultural Standards for crop production and soil management. This ensures that the crops planted are suitable for local climate conditions and do not disrupt natural ecosystems.

Waste management standards: waste collection and management practices in Ani and Ashotsk as well as the pilot program in Vardakar, will comply with the Law on Waste Management and Sanitation in Armenia. This guarantees that waste management is conducted safely, minimizing pollution and promoting recycling.

Water resource management: the irrigation systems introduced in Outputs 1.3 and 1.4 comply with Armenia's Water Code, ensuring that water resources are used efficiently and in compliance with water abstraction permits and resource management standards.

Compliance with Environmental and Social Policy of the Adaptation Fund

The project's reforestation and landscape restoration efforts are in line with the ESP, particularly regarding the protection of natural habitats and biodiversity conservation. The project shall integrate the Gender Policy, ensuring that women and vulnerable groups participate equally in agricultural and environmental initiatives. Potential environmental and social risks, such as the displacement of communities or disruption of local ecosystems, shall be mitigated through continuous monitoring and adherence to international best practices for environmental conservation.

Environmental safeguards: the project shall integrate the Environmental and Social Management Plan (ESMP), which includes measures for preventing soil degradation, water pollution, and biodiversity loss during landscape restoration. This aligns with the ESP of the Adaptation Fund.

Gender and social inclusion: the project shall follow the Gender Policy of the Adaptation Fund by ensuring that women and marginalized groups are actively involved in land restoration activities and benefit from agricultural

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productivity increases (Output 1.4). Training and employment opportunities shall be provided equitably to ensure compliance with gender equity standards.

Component 2: Prevention and management of floods

Compliance with the national technical standards

Building and infrastructure codes: all flood control structures, and urban infrastructure upgrades (Output 2.1 and Output 2.2) comply with Armenia's Urban Development Code, which sets the standards for constructing climate-resilient buildings and infrastructure. The project meets the requirements of the **Seismic Safety Standards** (SNIP II-7.02-95) for construction in Armenia, particularly in flood-prone regions. This ensures that all infrastructure is built to withstand climate-induced disasters, including floods and landslides.

Road construction standards: road infrastructure improvements, including the construction of bridges and the diversion of heavy vehicles, must meet the National Road Standards (2011) to ensure that roads are durable and safe for public use. The roads will be designed with climate resilience in mind, adhering to national guidelines for materials, safety, and environmental protection.

Public health and safety standards: during construction, the project follows occupational health and safety (local OHS and OHSAS 180001) standards, including those outlined in the Labour Code of Armenia and Regulation No. ՅՅԸԼ 13-02- on construction safety. Proper signage, protective equipment, and site security measures are enforced to ensure the safety of workers and nearby communities

Flood Management Regulations: The flood prevention systems will adhere to the Water Code of Armenia, particularly the provisions related to flood control and the management of water resources. The project's flood management strategies will also comply with national standards for disaster risk reduction (DRR).

Compliance with Environmental and Social Policy of the Adaptation Fund:

The flood management infrastructure and activities comply with the ESP by minimizing environmental degradation during construction and ensuring that communities are not negatively impacted by the projects. The project shall consider social equity, ensuring that vulnerable groups are protected from flood-related risks and ensure that gender-inclusive approaches are implemented in planning and executing flood management strategies.

Component 3: Raising awareness and knowledge of climate change adaptation

Compliance with the national technical standards

Public awareness and education standards: the project's awareness-raising programs will align with national standards for public outreach and education set by the Ministry of Environment of Armenia. These programs ensure that the public is informed about climate risks and adaptation strategies, complying with national requirements for environmental education.

Training and capacity building standards: capacity-building activities for regional governments, municipalities, and local communities (Outputs 3.1 and 3.2) will follow the National Training Guidelines for Environmental Protection. This ensures that all training activities are relevant, standardized, and aligned with Armenia's environmental priorities.

Compliance with Environmental and Social Policy of the Adaptation Fund

The outreach and capacity-building programs fully comply with the ESP by promoting the inclusion of all community members, with a focus on marginalized groups, such as women, indigenous people, and the elderly. The project will ensure that vulnerable communities receive targeted support to enhance their resilience to climate change. Additionally, the project shall emphasize transparency, stakeholder engagement, and gender equity, ensuring compliance with the Gender Policy of the Adaptation Fund.

General compliance of the Project with national standards

1. **Environmental protection standards:** across all components, the project adheres to the Law on Environmental Protection (1991) of Armenia, which mandates environmental assessments, the protection of biodiversity, and the sustainable management of natural resources. This law underpins all project activities related to landscape restoration, agricultural practices, and infrastructure development.
2. **Gender equality and non-discrimination laws:** the project aligns with the Constitution of the RoA and the Law of the Republic of Armenia “on Provision of equal rights and equal opportunities for women and men” (2013), ensuring that women and men participate equally in all aspects of the project, from decision-making to implementation. This is particularly relevant for training programs and agricultural initiatives, where gender balance is a core principle.
3. **Social impact standards:** the project complies with the Law on Social Protection (1996) by ensuring that all interventions prioritize the well-being of vulnerable communities, providing them with the necessary resources and knowledge to cope with climate risks. The project will also ensure that it aligns with the ILO (International Labour Organization) Standards on decent work, ensuring fair labor practices throughout the project.

Table 6: Cross-Cutting Compliance Measures

Standard	Component	Compliance Measures
Environmental Impact Assessment (EIA)	Component 1 and 2	EIAs are conducted for landscape restoration and infrastructure development, in accordance with Armenia’s EIA regulations and Adaptation Fund’s environmental safeguards.
Building Codes and Construction Standards	Component 2	Infrastructure complies with Armenia’s seismic and building standards, ensuring resilience against climate-induced disasters like floods and earthquakes.
Water Resource Management	Component 1 and 2	Water use for irrigation and flood control follows national Water Code regulations, ensuring sustainable water management and compliance with resource abstraction permits.
Public Health and Safety Standards	Component 2	Construction sites adhere to local OHS standards and OHSAS 180001, ensuring worker safety and minimizing risks to nearby communities. Protective equipment and regular health checks are mandated.
Land-Use and Forest Management Regulations	Component 1	Forest regeneration and land restoration comply with the Forest Code, promoting sustainable land-use practices that align with national forestry management and conservation laws.
Gender Equity and Social Inclusion	Component 1, 2, and 3	Project is mainstreamed with Gender responsive approaches and GAP ensuring compliance with the Gender Policy of the Adaptation Fund and advising peculiarities

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		of implementation is an integral part of the project document.
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F. Describe if there is duplication of project/programme with other funding sources, if any.

During the planning stage of this project several ongoing programs and projects have been identified implementing climate adaptation-related activities. During the project implementation the team will regularly communicate with relevant stakeholders and partners to identify any potential overlaps, avoid duplications and ensure complementarity of efforts. Below is a preliminary list of programs and projects which will be further reviewed to ensure coordination and avoid duplication.

Table 7: Project Complementarity

Project title	Short description	Relevance and measures
The Sustainable and Inclusive Growth in Mountainous Armenia (SIGMA) 2022-2026	<p>Funded by the Swiss Agency for Development and Cooperation (SDC), this project aims to alleviate poverty and inequality in Armenia's mountainous regions of Shirak, Lori, Tavush, and Gegharkunik. Implemented by DAI Global UK and its Armenian branch, in partnership with AMPERA Consulting Company, the project employs a Market System Development (MSD) approach to foster linkages between farmers, small rural businesses, and private companies, known as "catalysts of rural growth."</p> <p>Within this framework, the project collaborates with these catalysts to co-invest in cross-cutting systems within the agriculture and tourism sectors. These systems in the agriculture sector include irrigation, agro-machinery, aggregation and processing, crop seeds and seedlings, beekeeping support services, and agri-technologies. To ensure inclusivity, the project</p>	<ul style="list-style-type: none"> ➤ Market System Development (MSD) approach: The proposed project can utilize the MSD approach from the SDC-funded project to strengthen linkages between farmers, businesses, and private sector actors for sustainable agricultural growth. ➤ Agricultural systems: Lessons from the SDC project in irrigation, agro-machinery, and crop seed systems will be applied to improve agricultural productivity and climate resilience in the proposed project. ➤ Private sector involvement: The experience of engaging private companies as "catalysts of rural growth" will inform the proposed project's strategy for fostering public-private partnerships. ➤ Inclusivity: Both projects prioritize inclusivity, particularly the active involvement of women, people with disabilities, and ethnic minorities, ensuring targeted benefits for vulnerable groups. ➤ Coordination: The two projects will

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	prioritizes the active involvement of women, people with disabilities, and ethnic minorities.	coordinate on agricultural restoration, market linkages, and climate-smart technologies to maximize impact and avoid duplication of efforts.
Promoting Green Deal Readiness in the Eastern Partnership Countries (PROGRESS) 2024-2028	<p>Funded by the Federal Ministry for the Environment, Nature Conservation, Nuclear Safety, and Consumer Protection and implemented by a GIZ-led consortium, this 4.5-year project supports Eastern Partnership countries in their transition to climate-oriented, resilient, and green economic development.</p> <p>It aims to transform selected agricultural and related industrial food value chains by promoting innovative technologies, tools, and methodologies that enhance sustainability, climate resilience, and long-term greenhouse gas (GHG) mitigation. The project also seeks to improve enabling framework conditions.</p> <p>Two value chains in Armenia have been selected for further interventions within the project's scope.</p>	<ul style="list-style-type: none"> ➤ Climate-resilient agricultural value chains: The proposed project will benefit from the lessons learned in transforming agricultural value chains for climate resilience and sustainability, particularly in the context of Armenia's selected value chains. ➤ Innovative technologies and methodologies: The knowledge and tools developed for promoting innovative technologies in agriculture, as part of the GIZ-led project, will be integrated into the proposed project to enhance climate-smart practices. ➤ Framework conditions: The proposed project will leverage the improved enabling framework conditions created by the GIZ project, ensuring alignment with national climate policies and regulations. ➤ GHG mitigation: The experience in promoting GHG mitigation strategies in value chains will be applied in the proposed project to reduce carbon emissions through sustainable agricultural practices and land restoration efforts. ➤ Coordination: Coordination will focus on integrating the lessons into enhancing agricultural value chains and climate resilience, ensuring complementary actions across both projects for greater impact.
Land Restoration and Ecosystem Service Improvement through Use of Fruit and Nut Tree Biodiversity in Armenia 2025 - 2028	Funded by the World Bank and co-financed by the GEF and implemented by "Hayantar" SNCO and REC Caucasus Armenia, this three-year project aims to address landscape degradation and promote ecosystem restoration in Armenia through improved national strategies and policies. The project will focus on	<ul style="list-style-type: none"> ➤ Ecosystem restoration: The proposed project will incorporate lessons from the World Bank-funded project on land and ecosystem restoration, particularly in the context of enhancing local agrobiodiversity and promoting sustainable practices in degraded areas. ➤ Agrobiodiversity: The focus on

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	<p>enhancing the use of local agrobiodiversity in land and ecosystem restoration, demonstrating and scaling up effective restoration practices, and marketing ecosystem services produced through restored lands.</p> <p>Implementation will occur in pilot areas of Lori, Tavush, Syunik, Shirak, Vayots Dzor, Gegharkunik regions and Yerevan city. A study will be conducted to identify potential restoration directions for degraded lands and ecosystems in urban and peri-urban areas, focusing on indigenous fruit and nut tree species.</p> <p>The projects approach involves strengthening the enabling environment through national strategies and policies, while also promoting behavioral changes through training for policymakers, smallholders, and local communities in sustainable conservation and utilization of fruit and nut tree resources.</p>	<p>utilizing local agrobiodiversity for land restoration in the World Bank project aligns with the proposed project's efforts in restoring and enhancing agricultural landscapes in Armenia.</p> <ul style="list-style-type: none"> ➤ Policy and strategy development: The proposed project will benefit from the experience in strengthening national strategies and policies, ensuring that land restoration activities align with broader environmental and climate resilience goals. ➤ Demonstration and scaling up: The lessons learned from the demonstration and scaling of effective restoration practices in pilot areas will be used to inform the proposed project's approach to land restoration and sustainable agricultural practices. ➤ Capacity building: The training for policymakers, smallholders, and local communities in the World Bank project will inform the proposed project's capacity-building efforts, particularly in sustainable land management and climate adaptation strategies. • Coordination: The two projects will coordinate on promoting ecosystem restoration and climate resilience, especially in overlapping regions like Shirak, ensuring that lessons and best practices are shared for maximum impact.
<p>Decarbonization and Climate Resilience in the Eastern Partnership (EU4ClimateResilience) 2024-2028</p>	<p>This multi-donor four-year action supports the green transition, enhances decarbonization, boosts energy security, and increases climate resilience in the Eastern Partnership countries, including Armenia, Azerbaijan, Belarus, Georgia, Moldova, and Ukraine. It is co-financed by the European Union and the Federal Ministry for the Environment, Nuclear Safety, and Consumer Protection, and is implemented by GIZ and OECD.</p>	<ul style="list-style-type: none"> ➤ Climate resilience and decarbonization: The proposed project will draw on lessons from this multi-donor action in enhancing climate resilience and decarbonization efforts in Armenia, particularly in measuring and reducing national emissions while increasing adaptation to climate change. ➤ Demonstration projects: The experience in financing and demonstrating adaptation benefits

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	<p>The project aims to improve the capacity of participating countries to measure and reduce national emissions, increase adaptation to the impacts of climate change, and demonstrate the benefits of adaptation through the financing of several demonstration projects.</p>	<p>through pilot projects will be directly applicable to the proposed project, particularly in implementing climate-resilient agricultural practices and land restoration initiatives.</p> <ul style="list-style-type: none"> ➤ Capacity building: The capacity-building efforts in measuring emissions and improving adaptation strategies in the Eastern Partnership countries will inform the proposed project's approach to strengthening local institutions and stakeholders in climate resilience and adaptation. ➤ Regional coordination: The alignment with regional goals and coordination between Armenia and neighboring countries in the Eastern Partnership will help maximize synergies, particularly in terms of shared climate strategies and cross-border collaboration on climate adaptation and emissions reductions. ➤ Co-financing models: The co-financing mechanism involving multiple donors will inform the proposed project's financial structure, ensuring sustainable financing for climate resilience initiatives.
<p>Innovative Agriculture Training and Learning Camp – Agri Camp 2020-2026</p>	<p>Funded by USAID and implemented by International Center for Agribusiness Research and Education (ICARE), this six-year program aims to promote innovative agriculture in Armenia by enhancing regional agricultural cooperatives, farmers, and SMEs, fostering market growth, and establishing new connections with international distributors for increasing export volumes.</p> <p>Key strategies include improving professional knowledge and skills of ANAU students and staff, strengthening agricultural cooperation and business development, as well as designing, piloting, and testing agricultural data</p>	<ul style="list-style-type: none"> ➤ Innovative agriculture and market growth: The proposed project will leverage lessons from USAID's program in promoting innovative agricultural practices and fostering market growth. The integration of sustainable and climate-smart agriculture methods, such as circular economy principles and green agriculture, will align well with the proposed project's focus on building climate resilience. ➤ Capacity building and skills development: The training and capacity-building efforts in IT solutions, sustainable agriculture, and modern farming techniques under the USAID program will inform the proposed project's approach to enhancing local knowledge and

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	<p>and mapping systems.</p> <p>To promote innovative approaches, the program will provide modern knowledge and skills in areas like IT solutions, sustainable and smart agriculture (circular economy, green agriculture, intensive agriculture), and other technologies necessary for meeting market demand and achieving sector competitiveness.</p>	<p>skills in climate-resilient agricultural practices.</p> <ul style="list-style-type: none"> ➤ Agricultural cooperatives and business development: The proposed project will benefit from the experience of strengthening agricultural cooperatives and fostering SME development, which will be critical for supporting farmers and local businesses in adapting to climate change. ➤ Data and mapping systems: The use of agricultural data and mapping systems in the USAID program will be a valuable tool for identifying climate vulnerabilities in the proposed project's target areas and monitoring the effectiveness of restoration efforts. ➤ Coordination: The two projects will coordinate on knowledge sharing, particularly in promoting market connections and agricultural innovations that meet both climate resilience and market competitiveness goals.
<p>Artik city closed stone pit waste and flood management pilot project 2018 - 2024</p>	<p>This project addressed the combined environmental and climate risks in Artik city, Armenia - particularly those caused by abandoned stone pits and increasing flood events. Through a set of integrated adaptation measures, the project aims to restore heavily degraded landscapes resulting from decades of unmanaged stone extraction, reduce flood risks exacerbated by climate change, and protect downstream agricultural lands and infrastructure. Key interventions included the reclamation of mine-affected lands through soil restoration and afforestation, rehabilitation of 7.5 km of stormwater canals, and awareness-raising among local stakeholders. By applying ecosystem-based and structural flood management solutions, the project increased the resilience of over 1,200 hectares of land while contributing to</p>	<ul style="list-style-type: none"> ➤ Continued restoration of degraded mining areas: the follow-up project scales up the pilot effort to recultivate stone pit areas, adding 10 ha of forest cover and maintaining groves from the original project - extending the landscape restoration initiated in Artik. ➤ Geographic expansion with thematic continuity: while the pilot focused solely on Artik, the new project expands to Ani and Ashotsk, applying similar nature-based restoration and soil rehabilitation methods across 900 ha of degraded rangelands and arable lands. ➤ Sustained flood risk management: infrastructure built under the pilot (e.g. stormwater canals) will be maintained, while new road and bridge enhancements further reduce vulnerability to floods -deepening the structural flood mitigation approach.

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	sustainable development in a high-risk, economically vulnerable region.	<ul style="list-style-type: none"> ➤ Advanced waste and land management systems: building on the pilot's introduction of flood and waste mitigation strategies, the follow-up introduces integrated household waste management in Vardakar and mapping of degraded lands in Shirak for strategic planning. ➤ Expanded community-based adaptation and awareness: both projects emphasize raising public knowledge, but the follow-up strengthens this through broader engagement of local media, NGOs, and formal learning mechanisms - ensuring long-term behavioral change and uptake. ➤ Introduction of economic incentives and resilience models: the new project introduces pilot schemes like index insurance and climate-resilient orchards - evolving the pilot's bioengineering and afforestation into models with commercial viability and local co-financing. ➤
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To avoid duplication and ensure complementarity with existing projects, programs, and future initiatives, the project implementation team will adopt the following strategic approaches and steps:

- **Mapping:** Continuously monitor and identify ongoing and new projects or programs in the target areas, including initiatives from state and regional/local authorities, non-governmental organizations, international organizations, and other development partners. The team will actively seek opportunities for collaboration or complementarity rather than duplication.
- **Consultations:** The project implementation team will initiate consultations with relevant stakeholders, other projects, and potential partners to understand ongoing and planned initiatives and identify areas for collaboration. Existing networks and partnerships will be leveraged to strengthen collaboration and avoid duplication.
- **Coordination mechanisms:** EPIU will establish coordination mechanisms, such as regular meetings or platforms, where representatives from different projects can meet regularly, share information, update their plans and identify potential synergies.
- **Information sharing:** The project team will establish clear communication channels to ensure timely information sharing and coordination among stakeholders. This transparency will help to avoid unintentional duplication.
- **Joint planning:** Engage in joint planning sessions with other projects to develop a coherent and integrated approach to addressing common challenges. Encourage collaboration and knowledge-sharing among project teams to identify opportunities for joint activities or resource sharing.
- **Regular review and adjustment:** The project progress will be regularly monitored and compared with the goals of other initiatives. Strategies and implementation approaches will be adjusted as needed to avoid

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duplication and ensure complementarity.

G. If applicable, describe the learning and knowledge management component to capture and disseminate lessons learned.

This will be addressed through the activities under Component 3, as described below:

Output 3.1: The level of knowledge on effective recovery methods of degraded natural and agro landscapes will be increased

- Conduct training programs for regional governments, municipalities, and community leaders on effective land recovery techniques.
- Organize workshops and seminars to share best practices for land restoration and sustainable land management.
- Set up field demonstrations to showcase recovery methods in real-world settings.
- Distribute educational materials such as manuals and guidelines on landscape recovery to local authorities and communities.

Output 3.2: The knowledge level of the population on natural and agro landscape adaptation to climate change will be increased

- Implement workshops and community training on climate adaptation strategies for agriculture and natural landscapes.
- Collaborate with agricultural extension services to provide relevant climate adaptation information and tools.
- Organize interactive learning sessions on climate-smart practices, agro-ecological approaches, and water conservation techniques.
- Run public awareness campaigns via local media to amplify messages about climate-resilient farming.

Output 3.3: Increasing the knowledge level of the population on the occurrence and prevention possibilities of floods

- Educate communities about flood risks and prevention strategies through community meetings and outreach campaigns.
- Train local disaster response teams on flood management and emergency preparedness.
- Hold workshops on flood-resistant farming practices and flood control infrastructure such as drainage systems and dikes.
- Organize flood response simulations and drills to strengthen community preparedness.

Output 3.4: Promoting the importance of sustainable thinking, learning, and dissemination of information related to landscape adaptation to climate change in communities

- Implement sustainability education programs in schools and community centers to promote the importance of climate resilience.
- Launch information dissemination campaigns using posters, social media, and local radio to share knowledge about sustainable practices.
- Conduct workshops focused on sustainable livelihoods and how communities can adapt to climate change.
- Engage communities in discussions about the social and environmental benefits of adopting sustainable practices.

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Output 3.5: The involvement of local media and environmental NGOs in the process of mitigating the negative effects of climate change will be increased

- Develop partnerships with local media outlets to share stories and raise awareness about climate adaptation and sustainability.
- Collaborate with environmental NGOs to facilitate workshops, webinars, and discussions on climate change impacts.
- Create educational media materials like videos, infographics, and reports to enhance public understanding of climate issues.
- Support NGO-led community outreach initiatives to raise awareness about climate risks and adaptation measures.

H. Describe the consultative process, including the list of stakeholders consulted, undertaken during project preparation, with particular reference to vulnerable groups, including gender considerations, in compliance with the Environmental and Social Policy and Gender Policy of the Adaptation Fund.

During the Project appraisal stage, extensive consultations have already been carried out with key stakeholder groups, including relevant national agencies, representatives of regional and municipal authorities, civil society organizations (CSOs), academia, and representatives of vulnerable communities. These preliminary consultations have been instrumental in understanding the significance of the Project and have provided valuable insights that helped shape the initial long list of sectors and sub-sectors described in the proposal. After the initial project appraisal, the project development team conducted a more detailed and in-depth engagement with regional and local stakeholders during August-September 2024. This second phase of engagement built upon the initial findings by addressing specific regional concerns and incorporating localized knowledge that had emerged since the initial consultations. The additional stakeholder input provided critical insights into the unique climate challenges faced by each region, such as local ecosystem vulnerabilities and socio-economic factors that were not fully captured in the initial appraisal. This enriched understanding has been directly integrated into the project design, ensuring that the interventions are not only aligned with national strategies but are also responsive to the specific needs and priorities of the communities most impacted by climate change.

Local communities and direct beneficiaries were represented through municipal administrations (Artik, Ani, Ashotsk), administrative heads of smaller settlements (e.g., Pokr Sarian, Vardaghbyur, Isahakyan) and grassroots civil society organizations, including women's groups and local NGOs. Their views were solicited through in-person community-level meetings and targeted thematic discussions during the design phase, ensuring that local adaptation needs, land use concerns and social dynamics informed project formulation. During implementation, further consultations will be conducted through structured community forums, periodic focus group discussions and inclusive site-level planning workshops. These will be organized in close collaboration with municipal authorities and community leaders, ensuring the participation of vulnerable groups, including women and youth. Feedback from these engagements will inform activity sequencing, beneficiary targeting and adaptive management throughout the project lifecycle.

A detailed report on Stakeholder Consultations is provided in the Annex IV. to this Proposal. The engagement of these diverse stakeholder groups has been critical in ensuring that the Project addresses the needs and priorities of sectors and sub-sectors identified as critical for intervention and already visualized throughout the document. National agencies and regional authorities have shared their expertise and provided context-specific information on climate vulnerabilities and adaptation requirements. Representatives of municipal authorities have contributed valuable insights into the local-level impacts of climate change and the specific challenges faced by communities. CSOs have played a pivotal role in advocating for the inclusion of vulnerable communities and marginalized groups in the decision-making process. Their inputs have helped identify targeted interventions to enhance the resilience of these communities. Academia has contributed with research-based knowledge and technical expertise, enriching

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the project's design with innovative solutions and best practices. The consultative process has also placed a strong emphasis on gender considerations, ensuring that the perspectives and needs of women and other vulnerable groups are taken into account. Through these consultations, the Project preparation team has gained a deeper understanding of the differentiated impacts of climate change on different genders and demographics.

Below brief overview of consultations is presented:

Table 8: Overview of stakeholder consultations

Date of consultation	Participants	Consulted entities	Topics discussed and outcomes
July 26, 2025	23 (46% women)	Shirak Regional Administration, Artik Municipal Administration, Ani Municipal Administration, Ashotsk Municipal Administration, Pokr Sarian, Arpeni, Vardaghbyur, Isahakyan, Karmravan Administrative Units (Settlements), Climate Sustainable Development NGO	<ul style="list-style-type: none"> • Need to identify and prioritize degraded areas → led to inclusion of land degradation mapping; • Repeated flooding and poor canal maintenance → influenced continued support for flood infrastructure; • Intervention framework refined and validated based on local priorities
August 16, 2025	19 (35% women)		<ul style="list-style-type: none"> • Demand for productive reuse of degraded lands → demonstration orchards and climate-resilient crops; • Intervention framework refined and validated based on local priorities;
September 5, 2025	26 (27% women)		<ul style="list-style-type: none"> • Emphasis on climate education and outreach → awareness and training component strengthened; • Role of youth and schools in sustainability → engagement of schools embedded; • Concern over survival of planted groves → aftercare for existing forests included; • Intervention framework refined and validated based on local priorities;

Overall, the inclusive and participatory nature of the consultations has reinforced the importance of the project and its potential to effectively address the adverse impacts of climate change. The initial ideas on the intervention framework, developed during the **Concept Note** stage, were discussed with stakeholders, validated, and refined during these consultations. These ideas have since been incorporated into the project design and now reflect the exact needs and priorities of the communities. The iterative approach ensures that the project is not only

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comprehensive but also well-tailored to the specific local contexts, thereby maximizing its positive impact on climate resilience and adaptation. By building on stakeholder input at each stage, the project is positioned to deliver meaningful and sustainable outcomes.

For the proposed project, the environmental and social risk categorization is crucial in ensuring that potential impacts are identified, assessed, and managed appropriately. Based on the nature of the activities involved—restoration and management of natural landscapes, flood prevention, and awareness programs on climate change adaptation—the project can be categorized under a moderate environmental and social risk category (Category B). This categorization is justified for several reasons:

- **Environmental risks:** While the project aims to deliver significant environmental benefits, such as afforestation, sustainable land management, and ecosystem restoration, there are inherent moderate risks associated with these activities. For example, landscape restoration and flood prevention works might temporarily disrupt local ecosystems or require the use of heavy machinery that could impact the soil or local biodiversity. Mitigating these risks requires careful planning, implementation of best practices in environmental management, and continuous monitoring to ensure adherence to environmental standards. The moderate risk categorization acknowledges these potential impacts and necessitates a comprehensive environmental management plan.
- **Social risks:** The project targets vulnerable communities, involving them in various activities such as capacity building and infrastructure development. While these activities aim to improve livelihoods and resilience against climate change, they also carry moderate social risks. These include potential displacement or disruption of local communities during construction activities, changes in land use, or unintended impacts on local social dynamics. To address these risks, robust stakeholder engagement and social impact assessments are necessary, ensuring that community concerns are heard and addressed, and that benefits are equitably distributed. The moderate risk categorization reflects the need for ongoing social monitoring and community engagement throughout the project lifecycle.
- **Risk management:** The moderate risk categorization necessitates a proactive approach to risk management. This includes the development of detailed environmental and social management plans, regular risk assessments, and adaptive management strategies to address any unforeseen impacts. Moreover, this categorization ensures that adequate resources are allocated for risk mitigation activities and that there is a heightened awareness and preparedness for potential environmental and social issues.

I. Provide justification for funding requested, focusing on the full cost of adaptation reasoning.

The funding requested for the proposed project is based on the full cost of adaptation reasoning, which acknowledges the additional investments required to address the specific vulnerabilities and challenges that climate change poses. The project aims to enhance climate resilience through targeted interventions in ecosystem restoration, flood prevention, climate-resilient agriculture, and knowledge sharing. These activities are necessary to safeguard vulnerable communities in the Ani, Ashotsk, Artik, and Shirak regions and are essential to ensuring long-term sustainability in the face of increasing climate variability.

Scope and complexity of the project - the project is designed with a comprehensive scope, covering a range of climate adaptation activities that span ecosystem restoration, flood management, agricultural resilience, and community capacity building. Each component addresses a specific climate vulnerability—such as degraded landscapes, flood-prone regions, and agricultural sectors that are sensitive to shifting climate patterns. The complexity of these interventions requires significant financial resources, as they involve both large-scale infrastructure investments and long-term ecological management. The full cost of adaptation reasoning justifies the need for substantial funding to ensure that these complex interventions are properly implemented and maintained. This is particularly important in a context where traditional development financing would be insufficient to address the unique and heightened risks posed by climate change. Without this funding, the target regions would remain highly exposed to climate-induced hazards, perpetuating cycles of vulnerability and impeding sustainable

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development.

Targeting vulnerable communities - the project focuses on vulnerable communities of Ani, Ashotsk and Artik of the Shirak regions, which are disproportionately affected by both climate change and anthropogenic pressures. These communities face increasing risks from floods, land degradation, and shifting agricultural conditions, which undermine their livelihoods and well-being. The requested funding is critical for enabling these communities to adapt to these risks, ensuring that they can maintain their economic and social stability in the face of climate impacts. The full cost of adaptation approach ensures that funding is directed toward high-impact interventions that provide direct benefits to these vulnerable populations. For example, the introduction of climate-resilient crops and the rehabilitation of degraded lands not only address immediate food security concerns but also help these communities build long-term resilience to future climate variability. The funding will cover the costs of these interventions, including the necessary technical assistance, infrastructure investments, and community engagement processes, ensuring that the most vulnerable groups are equipped with the tools they need to adapt.

Environmental and ecosystem benefits - a significant portion of the project's funding is allocated to ecosystem restoration and sustainable land management. These activities are essential for enhancing the resilience of local ecosystems, which are crucial for mitigating the impacts of climate change, such as soil erosion, water scarcity, and loss of biodiversity. The afforestation and reforestation efforts, for instance, provide critical environmental benefits by stabilizing degraded lands, sequestering carbon, and enhancing water retention in drought-prone areas. In addition, the project's emphasis on sustainable agricultural practices will lead to improvements in soil health and land productivity, helping to buffer communities against future climate shocks. By restoring ecosystems and promoting land-use practices that are resilient to climate stressors, the project aligns with the full cost of adaptation framework, which recognizes the need for additional investments to maintain and protect natural resources that are increasingly under threat from climate change.

Social and economic benefits - the project generates substantial social and economic co-benefits, particularly through its focus on improving agricultural productivity, waste management practices, and infrastructure resilience. Climate-resilient agriculture will not only enhance food security for local communities but also contribute to poverty reduction by increasing crop yields and diversifying income sources. Similarly, the introduction of modern waste management practices will improve public health outcomes by reducing environmental pollution and enhancing the sustainability of local ecosystems. By investing in infrastructure improvements, such as flood prevention systems and road rehabilitation, the project addresses both immediate adaptation needs and long-term economic resilience. These interventions protect critical community assets from climate-related disasters, thereby avoiding future economic losses and supporting sustainable livelihoods. The requested funding is necessary to cover the full costs of these high-impact activities, which provide immediate social and economic benefits while also building resilience to future climate impacts.

Cost-effectiveness and long-term sustainability - the requested funding is justified by the **cost-effectiveness** of the project's adaptation measures. By investing in proactive adaptation activities now, the project will prevent more significant costs associated with climate-related disasters in the future. For example, the flood prevention infrastructure and landscape restoration efforts will significantly reduce the risk of costly flood damage, while the introduction of climate-resilient agricultural practices will mitigate the financial impacts of crop failure due to droughts and extreme weather events. The full cost of adaptation reasoning emphasizes the need for up-front investments to avoid long-term losses. By addressing the root causes of vulnerability, the project ensures that adaptation measures are sustainable and capable of delivering benefits far into the future. The requested funding will cover the full cost of these investments, ensuring that the project is fully equipped to meet its adaptation objectives without the need for further external financial support.

Leveraging private financing for climate-resilient agriculture - a key innovation in this project is its focus on leveraging private sector financing to support climate-resilient agriculture. By engaging private financiers in the implementation of high-value agriculture models, the project not only enhances the sustainability of its interventions but also creates opportunities for additional investments in climate adaptation. The funding requested will cover the initial costs of setting up these agricultural models, while private sector contributions will help scale the interventions and ensure their long-term success. This approach aligns with the full cost of adaptation reasoning by recognizing that private financing can play a crucial role in extending the reach and impact of adaptation activities. By mobilizing

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additional resources from the private sector, the project maximizes its cost-effectiveness and ensures that adaptation benefits continue to accrue after the project's formal completion.

Capacity building and knowledge sharing - the project includes a comprehensive capacity building and knowledge management component, which is crucial for ensuring the long-term sustainability of the adaptation measures. By training local communities, regional authorities, and other stakeholders in climate-resilient practices, the project ensures that adaptation efforts are sustained beyond the funding period. The full cost of adaptation reasoning justifies the inclusion of this component, as it ensures that the investments made in infrastructure and ecosystem restoration are accompanied by the necessary human capacity to maintain and manage these assets over time. The requested funding will cover the costs of developing and delivering training programs, as well as the establishment of knowledge-sharing platforms that will enable the dissemination of lessons learned to other regions and projects. This knowledge transfer will enhance the capacity of local communities to adapt to future climate challenges, ensuring that the benefits of the project are both scalable and replicable.

Demonstrative impact and replicability - the project's pilot initiatives, such as the index insurance and flood prevention infrastructure, are designed to have a demonstrative impact, showcasing innovative solutions to climate adaptation that can be replicated in other regions. These pilots will provide valuable insights into the feasibility and effectiveness of climate resilience measures, generating knowledge that can inform future adaptation projects across Armenia and beyond. The funding requested is necessary to implement these pilots, which will serve as proof of concept for larger-scale interventions in the future. By demonstrating the viability of these adaptation measures, the project contributes to the broader effort to build climate resilience at the national and regional levels, in line with the full cost of adaptation reasoning.

Building climate resilience in key sectors - at its core, the project is designed to enhance climate resilience across multiple sectors, including agriculture, water management, infrastructure, and ecosystem restoration. The requested funding is crucial for covering the costs of these specialized adaptation measures, which require significant technical expertise, infrastructure development, and long-term maintenance. By building resilience in these key sectors, the project ensures that communities are better equipped to cope with the impacts of climate change, thereby safeguarding their economic stability, food security, and environmental well-being.

Co-benefits and synergies - the project generates multiple co-benefits that extend beyond direct adaptation measures. For example, improved waste management will lead to better public health outcomes, while afforestation efforts will contribute to biodiversity conservation and carbon sequestration. Additionally, the focus on sustainable agriculture will enhance food security and reduce poverty in the region. These co-benefits add significant value to the project, further justifying the funding requested under the full cost of adaptation framework.

The requested funding for this project is fully justified under the full cost of adaptation reasoning, which recognizes the need for additional investments to address the specific vulnerabilities posed by climate change. The project's comprehensive approach - targeting vulnerable communities, restoring ecosystems, promoting climate-resilient agriculture, and preventing climate-related hazards - ensures that the adaptation measures are both effective and sustainable. By providing the necessary financial support, this project will contribute to building resilience in Armenia's most climate-vulnerable regions, delivering long-term environmental, social, and economic benefits.

The funding requested for the proposed project is also justified considering its comprehensive approach, targeting vulnerable communities, and delivering multiple environmental, social, and economic benefits. Climate adaptation is a long-term investment, and the funding will help build resilience and ensure the sustainable development of the project beneficiaries in the face of climate change challenges.

The proposed project has been carefully designed to ensure that its specific adaptation objectives are achievable solely with the allocated funding. This self-sufficiency is a result of a strategic approach to project design, resource allocation, and implementation.

- **Direct impact activities:** Each activity in the project has been chosen for its direct impact on adaptation objectives. The restoration and management of natural landscapes, flood prevention efforts, and climate change awareness programs are all high-impact initiatives that directly contribute to increasing resilience and

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reducing vulnerabilities in the target communities. These initiatives have been planned to ensure they deliver maximum effectiveness within the available budget.

- **Integrated approach for holistic adaptation:** The project adopts an integrated approach, where each component complements and reinforces the others. This interlinked methodology means that the effectiveness of one activity aids in achieving the goals of another, creating a holistic adaptation framework. For example, afforestation not only aids in carbon sequestration but also contributes to flood prevention and biodiversity enhancement, thereby multiplying the impact of a single investment.
- **Leveraging local capabilities and resources:** A significant aspect of the project is its focus on leveraging local resources and capabilities. By involving community members in project activities and utilizing local materials and knowledge, the project maximizes the impact of the funding. This approach reduces reliance on external resources and ensures that adaptation efforts are deeply rooted in the community, enhancing their sustainability.
- **Sustainability and long-term benefits:** The project is designed to deliver long-term benefits, ensuring that the outcomes of the current funding continue to provide adaptation advantages well into the future. This includes building local capacities, establishing sustainable practices in agriculture and land management, and creating infrastructures that will continue to serve the community long after the project's completion.
- **Cost-effectiveness and efficiency:** The project emphasizes cost-effectiveness and efficiency in all its activities. By carefully planning and executing each component, the project ensures that every dollar spent contributes as effectively as possible towards achieving the adaptation objectives. This includes efficient project management, judicious procurement practices, and continuous monitoring and evaluation to ensure that the project stays on track and delivers the expected outcomes within the budget.

In summary, the project is fully equipped to achieve its adaptation objectives within the constraints of the requested funding. Its strategic design, efficient resource allocation, and focus on sustainable, high-impact activities ensure that it can deliver on its goals without the need for additional financial support from other donors. This approach not only makes the project viable and impactful but also ensures that it contributes effectively to building resilience and reducing vulnerabilities in the face of climate change.

J. Describe how the sustainability of the project/programme outcomes has been taken into account when designing the project/programme.

The design of this project has been guided by a deep commitment to ensuring the sustainability of its outcomes at every stage, from planning to implementation. The sustainability strategy is rooted in four interrelated dimensions: institutional sustainability, environmental sustainability, social sustainability and financial sustainability. Each dimension has been integrated into the project's components, ensuring that the benefits generated by the project endure well beyond its funding period.

Institutional sustainability

A core aspect of the project's sustainability is the emphasis on institutional capacity building at local, regional, and national levels. The project has been designed to ensure that key institutions, such as local governments, environmental agencies, and community-based organizations, are fully equipped to continue managing and scaling up the project's interventions after the project's completion.

- **Capacity building and training:** a key component of the project is dedicated to training local government officials, technical staff, and community leaders in climate-resilient agricultural practices, ecosystem restoration techniques, and flood management systems. These training programs ensure that local institutions are capable of sustaining the project outcomes, implementing adaptation measures, and scaling successful interventions in the future;
- **Policy integration:** the project has been designed to align with and strengthen national policies and frameworks, such as Armenia's NAP and regional development strategies. By embedding the project's goals

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into existing institutional frameworks, the project ensures long-term policy support, making it easier for local authorities to secure future funding and implement ongoing climate adaptation efforts.

- **Ownership and local governance:** the project is structured to ensure that local governments and communities take full ownership of the interventions. For example, the EPIU, as the lead executing agency, is responsible for coordinating the project's activities with regional governments, ensuring that all stakeholders are engaged in the planning and management processes. This ownership is crucial for ensuring the long-term success of adaptation measures, as local authorities and communities will be more invested in maintaining and expanding the interventions.

Environmental sustainability

Environmental sustainability is a cornerstone of the project, as it seeks to restore ecosystems and manage natural resources in ways that promote long-term resilience to climate change.

- **Ecosystem-based adaptation and restoration:** The project's focus on ecosystem restoration, such as afforestation, reforestation, and sustainable land management practices, directly contributes to environmental sustainability by ensuring that degraded landscapes are rehabilitated and protected from further degradation. The restoration of natural landscapes helps stabilize soils, improve water retention, and enhance biodiversity, all of which are critical for reducing vulnerability to climate-related shocks, such as floods and droughts;
- **Sustainable land use practices:** by promoting climate-resilient agriculture and sustainable land-use practices, the project ensures that the land continues to be productive and less vulnerable to climate variability. For example, the introduction of perennial crops and improved pasture management reduces soil erosion, enhances water retention, and increases carbon sequestration. These practices ensure that the land can sustain agricultural productivity while contributing to long-term environmental resilience;
- **Mitigation of environmental risks:** the project incorporates strong environmental safeguards to ensure that none of the interventions inadvertently cause harm to the natural environment. For example, flood prevention infrastructure is designed to be eco-friendly, integrating nature-based solutions such as wetlands and riparian buffer zones that act as natural barriers against flooding while preserving biodiversity and improving water quality.

Social sustainability

The sustainability of the project's outcomes is also grounded in its commitment to social inclusivity and community empowerment. The project is designed to ensure that local communities, particularly vulnerable and marginalized groups, are actively involved in both the design and implementation phases, which is essential for sustaining long-term outcomes.

- **Community engagement and ownership:** the project promotes active participation from local communities, ensuring that the interventions are community-driven and reflect the real needs and priorities of those who are most affected by climate change. By fostering community ownership of adaptation measures, such as natural-landscape rehabilitation and flood prevention infrastructure, the project ensures that local stakeholders are invested in maintaining and expanding these interventions in the long run;
- **Inclusive design with gender and vulnerability considerations:** special attention has been given to gender equality and the inclusion of marginalized groups in the project's design. By addressing the unique vulnerabilities faced by women, indigenous populations, and economically disadvantaged groups, the project promotes social sustainability. Women and marginalized communities are given leadership roles in managing and maintaining the project's interventions, particularly in sectors such as agriculture and waste management, which ensures that adaptation outcomes are equitably shared across society;
- **Knowledge transfer and community learning:** a critical element of social sustainability is the project's focus on knowledge sharing and capacity building. Training programs, workshops, and participatory learning

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exchanges are designed to ensure that community members have the skills and knowledge necessary to maintain climate-resilient practices. This ensures that the benefits of the project, such as improved agricultural techniques and flood management strategies, continue to be utilized and expanded upon by local communities long after the project ends.

Financial Sustainability

Financial sustainability is central to ensuring that the project's outcomes are maintained and scaled up over time. The project has been designed to leverage both public and private financing mechanisms to secure long-term financial resources.

- **Leveraging private sector financing:** the project's innovative approach to engaging the private sector, particularly in the agricultural sector, ensures that additional financial resources are mobilized beyond the funding period. The introduction of high-value agriculture models and climate-resilient crops provides opportunities for private investment, ensuring that these interventions are commercially viable and financially sustainable. By creating partnerships with private financiers, the project secures the necessary funding to sustain and expand adaptation measures, such as introducing climate-resilient farming technologies and implementing waste management systems;
- **Co-financing and cost-sharing mechanisms:** the project is structured to attract co-financing from national and international sources, ensuring that adaptation measures can be scaled up. Additionally, by engaging local governments and communities in cost-sharing mechanisms (e.g., community contributions to maintenance costs of flood infrastructure or ecosystem restoration activities), the project creates a sustainable financial framework for continued adaptation efforts;
- **Long-term economic benefits:** the project's emphasis on improving agricultural productivity, waste management, and infrastructure resilience will generate long-term economic benefits for the target communities. By increasing crop yields, improving waste management practices, and reducing vulnerability to floods, the project enhances the economic resilience of local populations, creating a sustainable foundation for future growth and development. These economic gains ensure that communities have the financial resources necessary to maintain and scale adaptation interventions.

The sustainability of operations and maintenance for the infrastructures and facilities developed by the project will be ensured through a combination of local ownership, capacity building, and long-term financial planning. Local governments, communities, and relevant stakeholders will be actively involved in the design and implementation phases, ensuring a sense of ownership and commitment to the upkeep of these assets. Additionally, capacity-building initiatives will equip local authorities and community groups with the necessary skills to manage and maintain infrastructure. A dedicated maintenance plan, including resource allocation and periodic reviews, will be developed to ensure the continued functionality of all facilities. These efforts, combined with engagement of private sector partners where applicable, will guarantee the long-term sustainability of the project's investments.

Adaptive management and long-term monitoring

The project has incorporated adaptive management strategies to ensure that it remains flexible and responsive to changing climate conditions and stakeholder needs. A robust M&E framework will track the progress of the project's interventions and provide ongoing feedback to project managers. This M&E system is designed to not only assess the effectiveness of the interventions but also identify opportunities for improvement and scaling. By incorporating continuous learning and feedback loops into the project design, the project ensures that its outcomes remain relevant and effective over time.

K. Provide an overview of the environmental and social impacts and risks identified as being relevant to the project/programme.

In accordance with the Adaptation Fund’s Environmental and Social Policy, the proposed project is classified as **Category B**, indicating that it may have **potential adverse environmental or social impacts that are limited in scale, site-specific, reversible and can be readily mitigated**. This categorization reflects the nature of the planned activities, such as land restoration, flood prevention infrastructure, and community-based interventions, which may involve localized disturbances but do not pose significant or irreversible risks. An Environmental and Social Management Plan (ESMP) has been developed and will be implemented to ensure that all risks are properly assessed and mitigated throughout the project lifecycle.

The ES checklist below was completed based on the results of the Environmental and Social Impact Assessment presented in Annex 4.

Table 9: ES Checklist

Checklist of environmental and social principles	No further assessment required for compliance	Potential impacts and risks – further assessment and management required for compliance
<i>Compliance with the Law</i>	All activities of the project are in line with RA laws and regulatory acts. No further assessment of potential impacts and risks is required for compliance with the law, since the project complies with all relevant national legislation and policies on agriculture, water management, climate change adaptation, land tenure, public procurement and others.	All required permits will be obtained before implementation. EPIU and its partners have institutional experience with legal compliance.
<i>Access and Equity</i>	The project will provide fair and equitable access to the project beneficiaries and will facilitate access to robust institutions, sustainable livelihoods, knowledge, as well as in decision making processes. The compact area affected communities makes it easier to share information and transfer knowledge using intermediary community groups such as, youth and women organizations, beneficiary farmer and family groups. No further assessment of potential impacts and risks is required for compliance access and equity, since the project planned activities will not reduce or prevent communities in the target areas from accessing basic health services, clean water and sanitation, energy, education, housing, safe and decent working conditions and land rights.	

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<i>Marginalized and Vulnerable Groups</i>	Project activities do not have a negative impact on marginalized and vulnerable groups. Within this group there are people with disabilities and families living with persons with disability, the elderly, as well as people with a very low income and with limited access to resources to help them in their normal everyday living. In the targeted region, elderly and poor families receiving benefits from the state are considered marginalized and vulnerable.	
<i>Human Rights</i>	The Chapter 2 of the Armenian Constitution recognizes fundamental human rights and freedom that exist and shall continue to exist without discrimination by reason of race, national origin, color, religion, opinion, belief, or sex. The project's activities are structured in a manner with no negative impact on human rights and infringement on the right of any person during implementation.	All project activities promote voluntary participation, nondiscrimination, and access to information. No coercive or rights-infringing measures are involved.
<i>Gender Equality and Women's Empowerment</i>	Well-established traditions in the Republic of Armenia prevents negative perception on the role of women in society. Also, women are empowered in villages, and they are involved in day-to-day activities and decision makings in the field of family and village affairs.	Gender Action Plan has been designed to make sure that gender responsive approaches are mainstreamed throughout the Project.
<i>Core Labour Rights</i>	Labour rights (including those related to the child labour) are protected by the Constitution and Civil Code of the RA. During summer vocations children typically provide assistance to their parents by performing light activities, which could be considered as training for future farming activities. Desk research and stakeholder consultations revealed no occurrences of child labour in the Project area. Even in most vulnerable communities in Armenia education of children and adolescents in schools and universities is considered as mandatory. However, this does not mean that children do not help their parents with cultivation of their land plots. This carries a learning element and gives children an opportunity to get acquainted with the basic knowledge on framing activities. Contractors and service providers shall comply with national labour standards. No child labour or forced labour is anticipated. Labour rights clauses shall be included in procurement documents.	The project should comply with national and international labor standards, ensuring safe and fair working conditions, particularly for marginalized workers in agriculture and waste management sectors.

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<i>Indigenous Peoples</i>	Armenia's population is homogeneous (around 96%), so there is no issue of potential violation of the rights of indigenous people.	There are no indigenous peoples affected by this project. However, any future engagement with indigenous groups would require full consultations and respect for their rights.
<i>Involuntary Resettlement</i>	Project implementation does not include any resettlement of residents. No further assessment is required for involuntary resettlement.	No resettlement—physical or economic—is anticipated. Land required for interventions is publicly owned or voluntarily offered by communities.
<i>Protection of Natural Habitats</i>	There are no protected areas in the project area and it will not involve unjustified conversion or degradation of critical natural habitats, including those that are (a) legally protected; (b) officially proposed for protection; (c) recognized by the Government for their high conservation value, including as critical habitat. In Shirak marz the only specially protected nature area is "Arpi Lake" national park located in the northern part of the region. It consists of 5 settlements which are located away from beneficiary communities.	Potential risks to natural habitats exist, particularly during reforestation and orchard activities (Outputs 1.2, 1.8) that can unintentionally affect sensitive or riparian habitats if poorly sited., as well as during infrastructure construction. Mitigation measures include biodiversity assessments, selection of native species, and protection of surrounding ecosystems.
<i>Conservation of Biological Diversity</i>	There is a risk of reduced biodiversity through monoculture planting or use of non-native species. Site-level biodiversity assessment and use of native species are recommended.	
<i>Climate Change</i>	The project does not have a negative impact on climate change. It will not generate significant and / or unjustified increase in greenhouse gas emissions or any other cause of climate change. Moreover, the creation of forested park will contribute to CO ² absorption and milder microclimate. No project interventions are expected to contribute to release of gases responsible for CC and thus are not expected to contribute to GHG emissions. No further assessment is required for compliance.	The project is designed to enhance resilience to climate change and contribute to mitigation through reforestation and climate-smart agriculture practices.
<i>Pollution Prevention and Resource Efficiency</i>	Project is not expected to generate any environmental pollution and aims for higher resource efficiency for better management of available natural resources. Industrial wastes are stone residues that originate from quarrying. During the exploitation of quarries, the environment has been polluted by dust particles. The residents of the areas adjacent to floodplains crossing the town dump garbage into the floodplain, due to insufficient	Risks related to pollution from construction and waste management activities require careful planning and monitoring. Waste collection systems and proper resource management must be implemented to mitigate these risks.

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	number of bins causing clogging during heavy rains and snowfall and causing floods thus creating anti-sanitary conditions that can cause infectious diseases during hot summers. No further assessment is required.	
<i>Public Health</i>	The stability of ecosystem balance will contribute to the improvement of public health. Thus, no adverse impact on public health related issues is envisaged if proper management systems will be established.	Public health risks could arise from improper waste management and construction activities. The project must ensure that health and safety protocols are in place, particularly for waste management workers and communities.
<i>Physical and Cultural Heritage</i>	During site assessments, heads of communities were consulted to make sure any cultural sites and sites with unique natural values are identified. As a result of this, EPIU has determined that there are no physical and cultural heritage sites in interventions envisaged by the program: closed quarry, gorges, natural, and agricultural landscapes. The activities envisaged by the Project are not implemented on such sites where there are physical and cultural heritage monuments. No further assessment is required.	There are no known impacts on physical or cultural heritage sites. If any such sites are identified during project implementation, appropriate protection measures will be taken.
<i>Lands and Soil Conservation</i>	Restoration activities are envisaged to help in land and soil conservation and will not create any damages to land and soil resources. No further assessment is required.	Potential risks of soil degradation during reforestation and agricultural expansion. Soil conservation techniques and erosion control measures must be implemented to mitigate these risks.

PART III: IMPLEMENTATION ARRANGEMENTS

A. Describe the arrangements for project/programme implementation.

The project is slated for a four-year implementation period commencing in September 2024. The designated implementing entity (IE) for this endeavor will be the Environmental Project Implementation Unit (EPIU), which serves as the National Implementing Entity for the Adaptation Fund. The Government of the Republic of Armenia has specifically endorsed EPIU's role in executing this project, drawing upon its extensive experience, successful track record, and established collaborations with national stakeholders, including public and private entities, academia, and NGOs.

The Project Management Board (PMB) will assume responsibility for making key decisions pertaining to the project. Its role extends to project assurance through monitoring and evaluation, performance enhancement, accountability, and learning. The PMB will approve multi-year and annual work plans, supervise their execution, and review reports.

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This board will comprise representatives from relevant ministries, local self-government bodies, and EPIU staff, with one member selected as the PMB secretary.

The Environmental Projects Implementation Unit (EPIU), serving as the National Implementing Entity (NIE), will undertake comprehensive management of the project. This encompasses facilitating interactions with the Adaptation Fund Board (AFB) and pertinent stakeholders, supervising portfolio implementation, overseeing budget reporting, ensuring the delivery of quality outputs and deliverables, managing fund disbursement, monitoring progress, integrating lessons learned into subsequent projects, and sustaining relationships with stakeholders.

Day-to-day project management will be diligently overseen by the EPIU's dedicated project management unit, working closely with the beneficiary communities. This specialized unit will be entrusted with a spectrum of responsibilities, crucially including the Monitoring and Evaluation (M&E) function. The M&E activities will be meticulously designed and implemented to align with the Adaptation Fund's stringent social and environmental standards. Furthermore, the unit will oversee the procurement of goods and services, mobilize technical expertise, and implement risk mitigation strategies. The recruitment process will be initiated to onboard specialized experts, including but not limited to project coordinators, procurement specialists, accountants, social and gender specialists, environmental specialists, and monitoring and evaluation specialists. Engaging these experts will be pivotal for ensuring seamless coordination, efficient implementation, and robust monitoring of the project, with a keen focus on adhering to gender-responsive and environmentally sustainable principles and practices.

Operational arrangements

To ensure effective project implementation, a robust governance structure will be established, comprising key stakeholders and dedicated entities responsible for decision-making, coordination, and oversight. This structure is designed to promote transparency, accountability, and the successful execution of project activities. The governance structure includes:

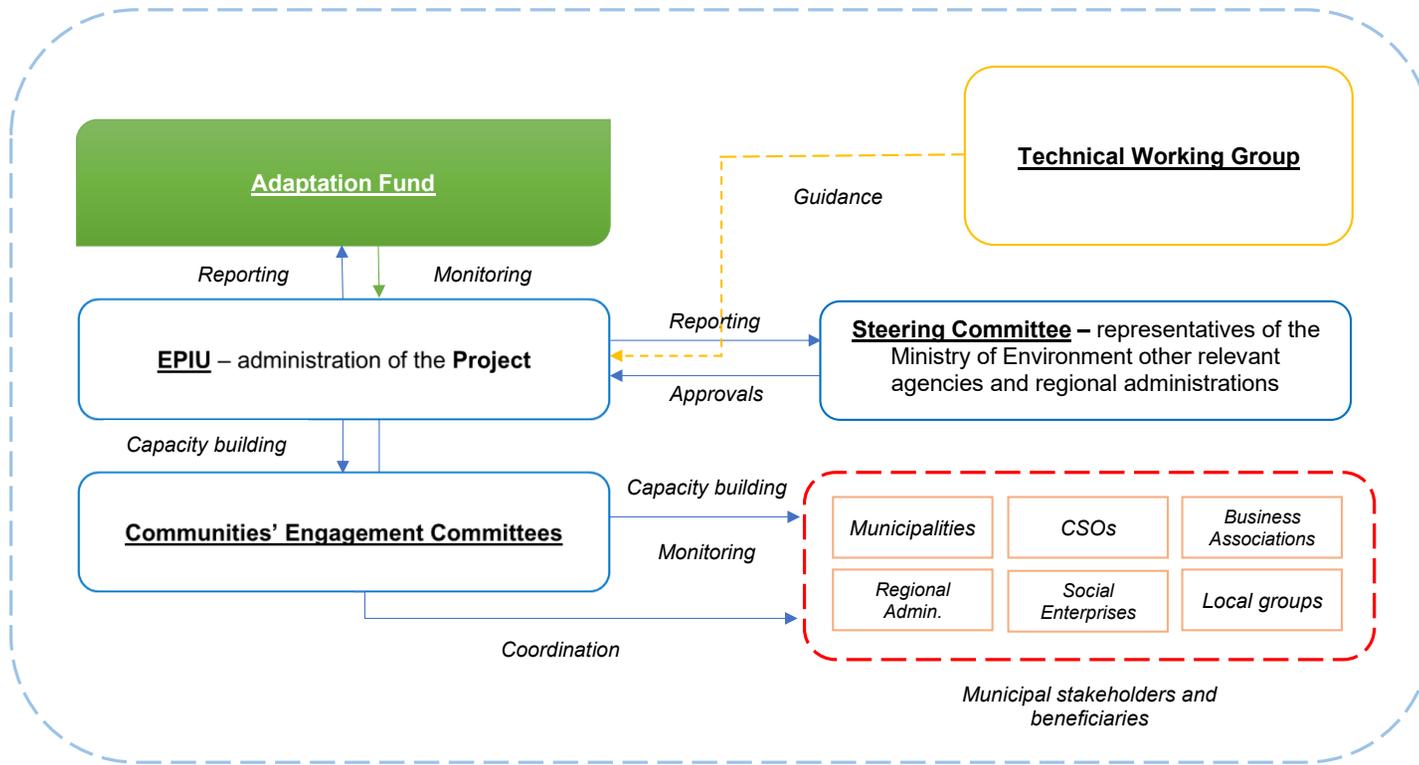
1. **Project Steering Committee (PSC):** The Project Steering Committee will serve as the highest decision-making body, providing strategic guidance, approving major project decisions, and ensuring alignment with national priorities. The committee will include representatives from relevant government ministries, project partners, community representatives, and the implementing entity.
2. **Project Advisory Committee (PAC)** will be established to provide valuable insights, guidance, and recommendations throughout the project's lifecycle. Comprised of key stakeholders representing a range of sectors and interests, the PAC will play a pivotal role in enhancing the project's strategic direction, ensuring alignment with broader goals, and optimizing outcomes.
3. **Project Management Unit (PMU):** The EPIU will serve the function of the Project Management Unit and carry out day-to-day management and execution of project activities. EPIU Director will assign technical experts, project managers, and administrative staff overseeing various components. The EPIU will report to the Project Steering Committee and ensure that activities are implemented according to the approved work plan.
4. **Technical Working Groups (TWGs):** Where necessary, Technical Working Groups will be formed to provide specialized expertise and guidance in specific areas, such as restoration, agriculture, flood management, and awareness campaigns. These groups will comprise experts from relevant fields, government agencies, NGOs, and academia, collaborating closely with the PMU.
5. **Community Engagement Committee:** At the communities' level, engagement committee will be established to facilitate local participation, ownership, and decision-making. This committee will ensure that community voices are heard, priorities are addressed, and project benefits reach the most vulnerable.
6. **Gender and Social Inclusion Focal Points:** Gender and social inclusion focal points will be designated (from EPIU responsible staff members) to mainstream gender considerations and promote social equity throughout the project. They will ensure that project interventions are responsive to the needs and priorities of all community members.

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Through this governance structure, the project will foster collaboration, streamline communication, ensure compliance with policies and regulations, and facilitate effective resource allocation. By involving diverse stakeholders, technical experts, and community representatives, the governance structure will contribute to the project's success in enhancing resilience, promoting sustainable development, and empowering vulnerable communities.

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Figure 1: Organigram of the Project implementation



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B. Describe the measures for financial and project/programme risk management.

Table 10: Financial and project risk management

Risk	Probability	Impact	Mitigation Measures
<i>Institutional Risks</i>			
<p>Not all essential stakeholders might possess the necessary capacity and dedication to actively engage throughout the entire process, spanning from inception to completion, and some could perceive exclusion. Subsequently, resistance may arise from certain stakeholders when it comes to embracing the proposed measures.</p>	Medium	High	<ul style="list-style-type: none"> ➤ The Project will capitalize on an active approach to stakeholder engagement, fostering regular consultations within the designated beneficiary communities: ➤ To ensure equitable participation across various segments such as women, youth, the elderly, and potentially vulnerable groups, focused consultations and collaborative working groups will be established. These avenues will provide ample opportunities for addressing the distinct requirements of these stakeholder categories. ➤ The process of selecting project beneficiaries will entail multiple stages: (1) identifying potential beneficiaries through community consultation meetings, (2) municipalities offering recommendations, and (3) final beneficiaries chosen via face-to-face meetings and farm visits. These visits will evaluate the beneficiary's farming skills and readiness to embrace the project's terms. ➤ To facilitate community members and stakeholders in raising concerns, a grievance redress mechanism will be implemented.
<p>Project outcomes, including properties such as greenhouses, dryers, etc. are not well protected</p>	Low	Medium	<ul style="list-style-type: none"> ➤ Binding legal agreements will be established with beneficiaries who receive project assets such as greenhouses and dryers. These agreements will outline the beneficiaries' responsibility to uphold the assets' functionality and cover any repair costs required to maintain their operational status. In instances of negligence, the contract will specify the obligation to return the asset to the project in proper working order for

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			<p>potential reassignment to other beneficiaries.</p> <ul style="list-style-type: none"> ➤ Beneficiaries will also receive informative materials and leaflets detailing proper maintenance and operation of the assets provided. ➤ The assets distributed will be marked with the logos of the project and the Project Implementation Unit (PIU).
Delays in project implementation including those related to delayed procurement	Low	High	<ul style="list-style-type: none"> ➤ During the Project inception stage, the project's implementation plan will be revised and updated. ➤ The advancement of project implementation within set timelines will be overseen through bi-weekly meetings conducted by the PIU team. ➤ Adherence to the Republic of Armenia's public procurement procedures is required by the PIU, where specific minimum timelines for various procurement stages are defined. To mitigate potential delays resulting from delayed procurement, the project timeframe includes maximum deadlines. ➤ Project activities have been meticulously prepared for completion within the proposed timeline. ➤ Monitoring initiatives will guarantee the realization of implementation objectives throughout the project's execution.
Implementation capacity constraints with limited human resources in national and regional authorities to ensure a timely implementation and the sustainability of the project.	Low	Low	<ul style="list-style-type: none"> ➤ Knowledge and awareness building is one of the key components of the project. ➤ Project will equip all relevant authority workers; decision makers and local population will have sufficient knowledge on the landscape and ecosystem adaptation to climate change and efficient management of climate smart agricultural techniques.
Social Risks			
Project beneficiaries are resistant to change and/or the new technologies applied are difficult to manage	Medium	Medium	<ul style="list-style-type: none"> ➤ During the implementation phase consultations of different stakeholders will ensure the ownership building for the project. ➤ Project will ensure active participation of stakeholders ➤ Awareness and knowledge raising

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			activities will increase the capacity for managing the new technologies applied and will ensure that beneficiaries are not resistant towards adaptation activities.
Financial Risks			
Mismanagement of resources	Low	High	➤ Financial risk management will be possible by continuous evaluations, audits and reports as mentioned in M&E plan of the project.
Delays in the disbursement of funds.	Low	Low	➤ EPIU will ensure that all the funds are properly managed; all procurement activities are completed in a timely manner.

C. Describe the measures for environmental and social risk management, in line with the Environmental and Social Policy and Gender Policy of the Adaptation Fund.

The Project is classified as a "Category B" intervention, implying minimal environmental and societal effects. It is expected to positively influence land and soil conservation, climate change, and protected areas, benefiting both local communities and the project zone. To manage any social and environmental concerns arising, an Environmental and Social Management Plan (ESMP) has been developed. This plan, adhering to the Republic of Armenia's laws and the Adaptation Fund's policies, details strategies to minimize potential negative impacts to acceptable levels. It also includes a framework for ongoing monitoring of these risks and their mitigation, specifying assigned responsibilities.

This ESMP outlines the specific environmental and social risks associated with each component and output of the project, along with the appropriate mitigation measures, monitoring strategies, and responsible entities. By implementing these measures, the project ensures compliance with the Environmental and Social Policy and Gender Policy of the Adaptation Fund, promoting equitable and sustainable development for all stakeholders, particularly vulnerable groups and women.

The ESMP also ensures that environmental protection, social inclusion, and gender equality are central to the successful implementation of the Project. Gender considerations are specifically addressed through gender-disaggregated indicators, equitable access to project benefits, and the involvement of Gender and Social Inclusion Focal Points. These focal points are responsible for overseeing the integration of gender concerns into mitigation actions, monitoring participation, and contributing to safeguard reporting. As outlined in Table 10 of the ESIA, each output includes gender-sensitive planning and mitigation to ensure inclusive participation and benefit-sharing, particularly for women and marginalized groups.

This environmental and social management plan is prepared to guide the future Contractor during the preliminary design stage of each component/outcome of the Project. However, after the Contractor prepares/updates all the project technical documents (engineering-geological surveys, design-drawings, method statements, etc.) the Contractor will be required to prepare a site-specific Environmental and Social Management Plan (SEMP) with more detailed site- and activity-specific mitigation measures prior to the implementation phase of each component.

Preparation/update of the SEMP shall be based on the following outline:

- Boundaries of the site of each component are defined
- Sensitive receptors and environmental values are identified
- Site-specific activities are specified

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- The risk of impact is assessed
- Environmental management measures are assigned for the impacts that need to be mitigated as a result of risk assessment
- SEMP prepared including the subplans indicated in the section below

This plan will serve as the basis for:

- Management of the project's potential impacts and their prevention or mitigation
- Preparation of site-specific environmental and social management plans prior to commencement of Project activities
- Implementation of the monitoring program to check the compliance with the plan indicators

The plan shall provide general principles and common mitigation measures and include the following subplans:

- Occupational Health and Safety Plan
- Public Consultation and Communications Plan
- Flora & Fauna Protection Plan
- Physical and Cultural Resources Preservation Plan
- Environmental Protection Plan
- Site Management Plan
- Emergency Response Plan
- Waste and Material Disposal Plan
- Site Reinstatement, Landscaping, and Revegetation Plan

The outline of the plan can be changed, taking into account specific parameters of each Project component.

The implementation of the ESMP, including compliance with the Adaptation Fund's Environmental and Social Policy, is supported through dedicated budget lines under IE Fee budget. This allocation covers costs related to environmental risk, social and gender risk assessment, and monitoring specialists. The specific figures are included in part IIIG.

The ESMP incorporates ongoing stakeholder engagement through the Public Consultation and Communications Plan to be included in SEMPs. Consultations will be held prior to implementation and during critical phases of the project. The ESMP supports adaptive management: it will be reviewed and revised as necessary based on findings from monitoring, stakeholder input, or any emerging environmental or social risks during implementation. A functional Grievance Redress Mechanism (GRM) is in place to ensure that any concerns from stakeholders, including complaints related to environmental and social safeguards, are received, addressed, and monitored in a timely and transparent manner. The GRM is accessible at the project implementation level, with procedures outlined for receiving, recording, resolving, and reporting grievances. Oversight is provided by the Grievance Redress Committee, with support from the Project Management Unit (PMU). Further details on the GRM process are available on EPIU's website. The ESMP provides a comprehensive framework for managing potential environmental and social impacts, ensuring that the project meets its objectives while minimizing risks. Through robust stakeholder engagement, continuous monitoring, and adaptive management, the project will contribute to the sustainable development of the region and serve as a model for similar initiatives in Armenia and beyond.

The Environmental and Social Impact Assessment (ESIA) for the project concludes that while the proposed interventions involve certain environmental and social risks, particularly those related to land degradation, flood vulnerability, waste mismanagement, and the risk of social exclusion, these risks are site-specific, moderate in nature, and can be effectively managed through well-established mitigation measures. The assessment confirms that the

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project falls under Category B as per the Adaptation Fund's Environmental and Social Policy, indicating that no significant or irreversible impacts are anticipated. Instead, the project design integrates proactive, evidence-based approaches to landscape restoration, flood management, and community engagement, all of which are expected to generate long-term environmental and social co-benefits. A key strength of the project lies in its robust governance structure, participatory mechanisms, and comprehensive ESMP, which embeds safeguards into each phase of implementation. The ESIA highlights the project's emphasis on inclusive development, with dedicated measures to ensure the involvement of women, youth, and other vulnerable groups. Institutional responsibilities are clearly delineated across national and local levels, and mechanisms such as a grievance redress system and community monitoring tools are in place to ensure transparency and accountability. Overall, the ESIA validates the project's alignment with both national priorities and international environmental and social standards, concluding that with proper implementation of the ESMP, the project is well-positioned to serve as a replicable model of climate-resilient development in Armenia. The ESIA details are presented in Annex 3 of this document.

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Table 11: Environmental and Social Risks, Mitigation Measures, and Gender Considerations by Project Output

Component	Output	Criteria	Potential Environmental Impacts	Potential Social and Gender Impacts	Risk Category	Rationale	Recommended Documentation
Component 1: Restoration management and increase of adaptation potential of natural landscapes							
Output 1.1	Soil cover of mine adjacent to Maralik community is recultivated (10 ha of forest cover)	Biodiversity, Soil Management, Occupation and Community Health and Safety, Air Pollution, Noise and Vibration,	Temporary soil disturbance, long-term biodiversity benefits	Risk of excluding women and vulnerable groups from reforestation activities	Category B	Soil disruption is manageable through proper planning. Gender and social inclusion must be prioritized.	ESIA/ESMP, Reforestation Plan, Gender and Social Inclusion Plan
Output 1.2	Forest grove established by a previous project is maintained	Biodiversity	Minimal risks from forest management activities	Ensuring participation of women and local communities	Category B	Localized risks from ongoing management; participation of local communities and women needed.	Forest Management Plan, Community Engagement Plan
Output 1.3	Sowing areas of perennial plants are created (900 ha)	Soil and Water Management	Soil and water resource benefits, short-term disturbance during planting	Women farmers must be included in land management decisions	Category B	Soil management challenges manageable, but inclusion of vulnerable farmers critical.	ESMP, Land Use Management Plan, Gender-Sensitive Farming Strategy
Output 1.4	Crop yield and quality of natural landscapes are increased (45 ha hay meadows, 570 ha pastures)	Water and Soil Management	Water use strain, minor soil degradation risks	Women and marginalized groups should be involved in farming improvements	Category B	Water and soil management are needed to ensure long-term sustainability. Gender inclusion essential.	Sustainable Agriculture Plan, Water Management Strategy, Gender Action Plan

Output 1.5	Waste collection practices introduced, pilot waste management program implemented	Pollution Prevention, Safety	Risks from improper waste disposal	Involving women in waste management planning	Category B	Waste risks must be mitigated with proper systems, involving local women in decision-making.	Waste Management Plan, Gender Inclusion Strategy
Output 1.6	Mapping of degraded lands in Shirak region	No direct environmental impact	No physical environmental impact	No social risks, but ensures data is gender-inclusive	Category C	Mapping involves no physical risks; ensures data collection includes gender dimensions.	Baseline Study, Gender-Sensitive Data Collection Plan
Output 1.7	Infrastructure for piloting high-value agriculture models (100 ha) is implemented	Soil and Water Management, Infrastructure Stability	Potential water overuse, minor ecosystem disruptions	Ensuring equal access to agricultural opportunities for women and marginalized groups	Category B	Infrastructure needs water management and social inclusion considerations.	ESMP, Infrastructure Management Plan, Water Use and Inclusion Plan
Output 1.8	Demonstration sites for intensive orchards are constructed (10 ha per community)	Soil and Water Management, Biodiversity	Soil disturbance during orchard planting, long-term biodiversity and agricultural benefits	Ensuring equitable access for women in agricultural training and demonstration sites	Category B	Long-term benefits outweigh short-term impacts. Gender inclusion required in agricultural training.	Orchard Development Plan, Gender-Inclusive Training Program
Output 1.9	Architecture and design work for all components are carried out	Detailed designs must comply with national standards and incorporate environmental sustainability and inclusivity considerations.	Minimal impact due to resource use during the design phase; mitigated through adherence to sustainable practices and efficient use of resources.	Inclusive designs ensure equitable access, benefiting women and vulnerable groups; no significant risks anticipated.	Category B	Risks are site-specific and manageable through sustainable design practices and community engagement, with no	Environmental and social impact assessments, compliance reports, stakeholder engagement records, and validated architectural plans.

						significant adverse impacts expected.	
Output 1.10	Index insurance is piloted in beneficiary municipalities	No direct environmental impact	No direct physical environmental or social impacts	Ensuring equitable access to financial risk mitigation for vulnerable groups, including women	Category C	Financial tool for risk management; no physical impacts. Social inclusion is needed in insurance access.	Insurance Scheme Report, Social Risk Assessment
Component 2: Prevention and management of floods							
Output 2.1	Infrastructure constructed during the pilot project is maintained	Safety, Water Management, Infrastructure Stability	Moderate risk of infrastructure failure, localized flooding risk	Vulnerable groups and women must be prioritized for safety measures	Category B	Flood infrastructure maintenance is critical; ensuring safety for vulnerable groups is key.	Infrastructure Maintenance Plan, Flood Risk Management Plan, Social Inclusion Plan
Output 2.2	Flood prevention systems advanced with road and bridge infrastructure	Occupation and Community Health and Safety, Air Pollution, Noise and Vibration, Cultural Heritage, Soil Management	Localized ecosystem and heritage site disruption	Safety of women and children during construction should be ensured	Category B	Localized impacts near sensitive areas; safety protocols and gender inclusion necessary.	Cultural Heritage Assessment, Gender-Sensitive Safety Protocols
Component 3: Raising awareness and knowledge level of the population							
Output 3.1	Knowledge on effective recovery methods of degraded landscapes increased	No direct environmental impact	No physical impacts, education-based	Gender-sensitive training must ensure equitable participation	Category C	Knowledge transfer poses minimal risks but must include gender-sensitive training.	Training Materials, Gender-Inclusive Capacity Building Plan
Output 3.2	Knowledge on	No direct	No physical	Must ensure	Category C	Awareness	Workshop Reports,

	adaptation to climate change increased	environmental impact	impacts, education-based	gender equity in climate adaptation training		activities have minimal risks and focus on strengthening local adaptation knowledge.	Climate Adaptation Training Plan
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Table 12: Environmental and Social Management Plan (ESMP)

Component	Potential Risks	Mitigation Measures	Monitoring Indicators	Responsible Parties
Component 1: Restoration and Management of Natural Landscapes				
Output 1.1: Soil cover recultivated (10 ha)	<ul style="list-style-type: none"> - Soil erosion and degradation during land preparation. - Potential loss of biodiversity. - Overuse of water resources for irrigation. 	<ul style="list-style-type: none"> - Use soil stabilization techniques (mulching, terracing). - Prioritize native species for reforestation. - Install efficient irrigation systems (drip irrigation). 	<ul style="list-style-type: none"> - Soil quality improvement. - Biodiversity assessments. - Water usage reports. 	<ul style="list-style-type: none"> - Environmental specialists.
Output 1.2: Forest grove established and sustained	<ul style="list-style-type: none"> - Risk of introducing invasive species. - Poor long-term sustainability if local communities are not involved. 	<ul style="list-style-type: none"> - Select native species only. - Engage communities in forest management. - Provide training for long-term maintenance. 	<ul style="list-style-type: none"> - Survival rate of trees. - Number of community members trained. 	<ul style="list-style-type: none"> - Environmental specialists - Local NGOs.
Output 1.3: Sowing areas for perennial plants (900 ha)	<ul style="list-style-type: none"> - Soil degradation. - Water resource depletion. - Exclusion of smallholder farmers and vulnerable groups. 	<ul style="list-style-type: none"> - Implement water-efficient irrigation. - Train farmers in sustainable agriculture. - Ensure equitable access to resources through participatory planning. 	<ul style="list-style-type: none"> - Number of farmers trained. - Soil health indicators. - Water usage efficiency. 	<ul style="list-style-type: none"> - Environmental specialists - Local community.
Output 1.4: Crop yield and quality increased (45 ha hay meadows, 570 ha pastures)	<ul style="list-style-type: none"> - Overgrazing and potential land degradation. - Fertilizer runoff causing 	<ul style="list-style-type: none"> - Implement rotational grazing. - Promote the use of 	<ul style="list-style-type: none"> - Pastureland productivity. - Water quality reports. 	<ul style="list-style-type: none"> - Agricultural experts - Local farmers' cooperatives (if any).

	water contamination.	organic fertilizers. - Monitor land use and water quality.		
Output 1.5: Waste collection and management introduced in three communities	- Improper waste management leading to environmental contamination. - Exclusion of vulnerable communities from waste management benefits.	- Develop an integrated waste management plan. - Conduct community awareness campaigns. - Ensure equitable access to waste services, prioritizing marginalized groups.	- Volume of waste managed. - Number of households benefiting. - Participation of marginalized groups.	- Local municipal authorities - Waste management companies - Environmental specialists of the Contractor.
Output 1.6: Mapping of degraded lands in Shirak region	- Inaccurate mapping leading to misallocation of resources.	- Use GIS and satellite imagery for accurate mapping. - Involve local communities in the mapping process to integrate traditional knowledge.	- Accuracy of land degradation maps. - Number of community members involved in mapping.	- Environmental specialists - Local NGOs and community members.
Output 1.7: Piloting high-value agriculture model (100 ha degraded land)	- Overuse of resources (water, fertilizers). - Exclusion of smallholders and women from the benefits of high-value agriculture.	- Implement sustainable agriculture practices. - Provide targeted training and support for smallholders and women. - Monitor resource use and ensure equitable access.	- Water and fertilizer usage rates. - Number of women and smallholders trained.	- Agricultural cooperatives (if any) - Private financiers.
Output 1.8: Demonstration sites for intensive orchards (10 ha in each community)	- Water overuse and soil degradation from intensive farming practices. - Exclusion of marginalized groups from accessing demonstration sites.	- Use water-efficient irrigation methods. - Provide equal access to demonstration sites for marginalized groups. - Implement best practices for sustainable farming and monitor land health.	- Orchard productivity. - Water usage rates. - Participation of marginalized groups in demonstration activities.	- Local agricultural organizations (if any) - Community leaders.
Component 2: Prevention and Management of Floods				
Output 2.1: Flood	- Disruption of local	- Use eco-friendly	- Environmental impact	- Municipal engineering

management infrastructure maintained	ecosystems. - Sedimentation and pollution from construction activities. - Poor communication with the community.	materials and designs. - Implement sediment control measures. - Conduct public consultations before and during construction.	assessment reports. - Sedimentation levels in nearby water bodies. - Number of community consultations held.	departments - Environmental specialists of the Contractor.
Output 2.2: Road and bridge infrastructure improved	- Sedimentation and air pollution during construction. - Limited access to transportation for local communities during construction.	- Use dust suppression techniques. - Implement erosion control measures. - Provide alternative routes for transportation. - Conduct regular environmental monitoring.	- Air quality reports. - Sedimentation levels in nearby rivers. - Number of affected residents provided with alternative transportation.	- Construction companies (Contractor) - Local transport authorities, particularly relevant community and/or Road Department Fund SNCO.
Component 3: Raising Awareness and Knowledge of Climate Change Adaptation				
Output 3.1: Knowledge transfer to local governments and municipalities	- Inadequate understanding of climate adaptation strategies among local officials. - Exclusion of marginalized groups from training programs.	- Develop locally tailored training materials. - Provide specific training for marginalized groups. - Conduct follow-up assessments to ensure understanding and application of strategies.	- Number of government officials trained. - Gender-disaggregated data on training participants. - Effectiveness of climate adaptation implementation.	- Municipal governments - Local NGOs.
Output 3.2: Increased awareness of climate change adaptation in target communities	- Poor adoption of climate adaptation strategies. - Limited participation of women and vulnerable groups in training programs.	- Engage local leaders in training programs. - Use culturally sensitive training materials. - Ensure equal access to training for marginalized groups and women.	- Community awareness levels. - Number of women and vulnerable groups participating in training programs.	- Local community organizations - Educational institutions.

D. Describe the monitoring and evaluation arrangements and provide a budgeted M&E plan, in compliance with the ESP and the Gender Policy of the Adaptation Fund.

Table 13: Monitoring and Evaluation Plan

Aspect	Monitoring Indicators	Frequency	Responsible Entity
Environmental Impact Monitoring	- Pollution levels (air, water, soil) - Habitat restoration progress	Quarterly during project implementation and/or based on GRM.	Environmental Specialist, Local Authorities
Social Impact Monitoring	- Participation rates of women and marginalized groups - Satisfaction with public consultations and project benefits (more details in GAP)	Annual reports	Social Specialist, Local NGOs
Gender Equality Monitoring	- Gender-disaggregated participation data - Gender-specific benefits achieved (more details in GAP)	Annual reports	Gender Specialist, Local Authorities
Public Consultation and Stakeholder Engagement	- Number of consultations held with vulnerable groups and women - Feedback from stakeholders (more details in GAP)	Ongoing during the project	Community Engagement Officer, Local Municipalities
Waste and Resource Management	- Volume of waste collected and processed - Efficiency of resource use (e.g., water, fertilizers)	Monthly reports	Waste Management Companies, Agricultural Cooperatives

The Project's monitoring and evaluation (M&E) arrangements encompass a comprehensive approach to oversee project progress and assess its outcomes. The M&E activities will be managed within the allocated M&E budget, as detailed below. Monitoring and evaluation will be a collaborative effort involving the Project Team, with verification by the National Implementing Entity (NIE). The progress will be evaluated based on predefined targets and indicators established in the Project Results Framework.

The Project Management Unit (PMU) will establish a robust system for monitoring the project's progress. This system will facilitate data collection and recording through participatory mechanisms, enabling the monitoring and evaluation of both outcome and output indicators. Key tasks during the Project Launch workshop will include introducing the project's results framework to all stakeholders, presenting the project team, fostering ownership, and planning the work plan in alignment with the project's results framework. This will involve defining roles, responsibilities, and functions of both the NIE and the Project Management team. Additionally, the M&E indicators, budget, and work plan will be collaboratively agreed upon and scheduled.

Throughout the project duration, the PMU and the dedicated monitoring and evaluation division will shoulder the responsibility for ongoing monitoring. Their actions will be guided by the Annual Operating Plan (AOP), which outlines all essential activities for the current year. Quarterly Status Reports (QSRs) will provide insights into the

progress of executed activities. AOPs will be annually agreed upon during NIE meetings and will be guided by the project's results framework.

A significant feature of our M&E framework will be the incorporation of sex-disaggregated data in our data collection, analysis, and reporting processes. This approach ensures that the project's impacts on different gender groups are accurately captured and understood, providing a basis for gender-responsive project implementation and adjustment. Even though the specific arrangements for M&E, including the mechanisms for collecting and analyzing sex-disaggregated data, will be further refined during the project inception phase, the commitment to gender-sensitive M&E is unequivocal and will be a guiding principle throughout the project lifecycle. To bolster the effectiveness of the project's M&E function, the unit will actively utilize gender-responsive indicators, facilitating a nuanced understanding of the project's gender-differentiated impacts and contributing to the development of interventions that are sensitive to the needs and priorities of all gender groups.

Monitoring and Evaluation (M&E) processes have been designed with a gender-sensitive lens, with a focus on women groups. This targeted approach in M&E aims to meticulously assess the direct and indirect benefits accruing to women as a result of the project, providing valuable insights into the project's impact on promoting gender equity and women empowerment.

Several reports and evaluations will be developed over the project's lifecycle, including:

- **Inception Workshop Report:** This report, prepared after the inception workshop, will detail the roles, responsibilities, actions, and functions of all stakeholders. It will also encompass the first AOP and monitoring plan for the initial year.
- **Baseline report:** This report should outline the social, economic and environmental baseline to enable quantified reporting and efficient project implementation.
- **Annual Operating Plan (AOP):** AOPs, to be approved by the NIE before each operating period, will outline all planned activities, milestones, and goals for the year. It will include the necessary financial activities relevant to the period.
- **Quarterly Status Reports (QSRs):** These reports, to be submitted by the project management unit at the end of each operating quarter, will track the execution of indicators as defined in the project results framework. They will also address challenges faced and constraints encountered during execution.
- **Annual Management Reports (AMR):** The AMR, covering the last AOP, will compare actual results against the targets and milestones outlined in the AOP. If necessary, it will propose improvements and corrective measures for the upcoming AOP.
- **External Audit Reports:** These reports, aligned with government Financial Regulations, will be prepared in conjunction with periodic financial statements.
- **Project Performance Reports:** As per decisions B.16/21 and B.18/29 of the Adaptation Fund Board regarding reporting process requirements.
- **Mid-term Evaluation:** Conducted halfway through project implementation (around Month 24), this external evaluation will assess progress towards achieving outcomes, taking into account project effectiveness and efficiency and compliance with the Environmental and Social Policy (ESP) of the Adaptation Fund. It will also assess early ESMP implementation effectiveness, stakeholder engagement performance, and the Gender Action Plan. It will suggest corrective actions if needed.
- **Completion Report:** This report should be presented within six months after project completion, will primarily focus on assessing project results against planned outcomes. This comprehensive review will assess overall impact, sustainability, gender and social inclusion outcomes, and the project's adherence to environmental and social safeguards. It will also generate lessons for future replication.
- **Terminal Evaluation:** This evaluation will emphasize project impacts, sustainability, and long-term effects. It will provide recommendations for further actions to ensure project sustainability. These M&E

arrangements will incorporate a gender-responsive stakeholder consultation process. If specific gender targets or gender-responsive outcomes are identified, a dedicated specialist will monitor these aspects closely.

Integration of ESMP and AF ESP Compliance

The Monitoring and Evaluation (M&E) framework also integrates a dedicated compliance mechanism for the ESMP and AF ESP principles. This includes:

- A dedicated Safeguard Compliance Matrix, updated semi-annually, tracking each mitigation measure from ESMP per output.
- Incorporation of ESMP indicators in all Quarterly Reports and Annual Reports, including those related to biodiversity protection, land conservation, pollution control, and stakeholder engagement.
- Internal audits of safeguard implementation by EPIU’s Safeguard Team, and periodic validation by the NIE.
- Corrective Action Mechanism (CAM): When significant safeguard gaps are detected, a structured procedure is in place for immediate response.

These measures ensure that risks identified in the ESIA continue to be tracked and mitigated through project execution.

Breakdown of M&E Supervision Responsibilities

The following actors play defined roles in ensuring effective and transparent implementation of the M&E and safeguard system:

Table 14: M&E Responsibilities

Actor	Key M&E Responsibilities
National Implementing Entity (NIE)	Strategic oversight, approval of evaluation ToRs and reports, validation of safeguard performance, lead supervision missions, liaise with Adaptation Fund.
Project Management Unit (EPIU/PMU)	Lead M&E data collection, manage safeguard implementation tracking, compile reports, organize evaluations, ensure corrective actions, integrate M&E into procurement and contracts.
Technical Working Groups (TWGs)	Thematic verification (e.g., environment, agriculture, risk management), review ESMP-related indicators, prepare technical inputs to evaluations.
Gender and Social Inclusion Focal Points	Monitor participation of women and vulnerable groups, oversee gender indicators, support targeted feedback collection.
Community Engagement Committee	Facilitate community-led monitoring (e.g., scorecards, interviews), receive grievances, relay information for adaptive actions.

M&E Timeline and Milestones

The following table summarizes key M&E milestones and their timing throughout the project lifecycle:

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Table 15: M&E Timeline

Milestone	Responsible Entity	Timeline
Inception Workshop and Report	EPIU/PMU	Month 1
Baseline Data Collection	PMU & TWGs	Months 1–3
Quarterly Status Reports (QSRs)	PMU	Every 3 months
Annual Operating Plan (AOP)	PMU/NIE	Annually (by Dec)
Safeguard Compliance Review	PMU & TWGs	Every 6 months
Mid-term Evaluation	Independent evaluator	Month 24
Gender Action Plan Midterm Review	Gender focal points	Month 24
Final Report	Independent evaluator	3 months before project closure
Final External Evaluation		At project closure

Each evaluation will be participatory, inclusive, and gender sensitive. Data will be disaggregated by gender, vulnerability status, and location. All evaluation results will be integrated into final learning documents and disseminated to stakeholders, the Adaptation Fund, and the public.

Table 16: M&E Budget breakdown in USD

Item	Responsible	Project Lifespan				Total
		1 st year	2 nd year	3 ^d year	4 th year	
Quarterly and annual Reports	<i>EPIU PMU</i>	-	-	-	-	-
Completion Report	<i>EPIU PMU</i>	-	-	-	-	-
Project Management Board Meetings	<i>Project manager</i>	1,390	1,000	1,000	1,000	4,390
Technical & copyright supervision	<i>Local expert/s</i>	10,000	10,000	10,000	10,000	40,000
Inception and Final Workshops	<i>EPIU PMU</i>	2,000	-	-	2,000	4,000
Baseline report	<i>Local expert/s</i>	20,000	-	-	-	20,000
Mid-term evaluation	<i>International Expert</i>	-	-	35,500	-	35,500
Terminal Evaluation	<i>International Expert</i>	-	-	-	35,500	35,500
External Audit	<i>National audit company</i>	3,000	3,000	3,000	3,000	12,000
TOTAL:		36,390	14,000	49,500	51,500	151,390

E. Include a results framework for the project proposal, including milestones, targets and indicators, including one or more core outcome indicators of the Adaptation Fund Results Framework, and in compliance with the Gender Policy of the Adaptation Fund.

Table 17: Results Framework

Result	Indicator	Baseline ¹⁷	Milestone ¹⁸ (end of year 2)	End of Project target ¹⁹	Means of verification	Responsibility
<p>Objectives:</p> <ul style="list-style-type: none"> ➢ Increase adaptation level of natural and agricultural landscapes; ➢ Prevent floods and eliminate their consequences, ➢ Restore the natural landscape of the area affected by climate change and anthropogenic impacts, at the same time to demonstrate the possibilities of adaptation level increase of degraded natural landscapes, 	<ul style="list-style-type: none"> ➢ N of Project beneficiaries (<i>direct & indirect</i>); ➢ % of women beneficiaries; ➢ % of youth engaged; ➢ N of communities benefited; ➢ N of settlements benefited; ➢ % of vulnerable settlements benefited; 	<p>9,000 direct and 6000 indirect beneficiaries out of which</p> <p>60%</p> <p>5%</p> <p>3 communities</p> <p>10 settlements</p>	<p>21,000 direct and 31,860 indirect beneficiaries,</p> <p>60%</p> <p>40%</p> <p>3 communities</p> <p>6 settlements</p>	<p>41,000 direct and 84,960²⁰ indirect beneficiaries,</p> <p>60%</p> <p>40%</p> <p>3 communities</p> <p>10 settlements</p>	<ul style="list-style-type: none"> ➢ 6 monthly project reports; ➢ Annual PPRs; ➢ Surveys; ➢ M&E interim and final reports; ➢ Impact assessment report (upon completion); 	EPIU, targeted municipalities and settlements;

¹⁷ Achieved in the result of implementation of the pilot Project "Artik city closed stone pit waste and flood management pilot project"

¹⁸ Include also beneficiaries indicated in the baseline

¹⁹ Include also beneficiaries indicated in the baseline

²⁰ The number of indirect beneficiaries was added based on the assumption that the combined population of 3 communities will indirectly be positively impacted as a result of the project implementation.

Result	Indicator	Baseline ¹⁷	Milestone ¹⁸ (end of year 2)	End of Project target ¹⁹	Means of verification	Responsibility
<ul style="list-style-type: none"> ➤ Improve the adaptation potential of community producers, institutions, and other relevant stakeholders regarding climate change under current climate change conditions; ➤ Replicate and scaleup good practices achieved during implementation of the pilot project "Artik city closed stone pit waste and flood management pilot project"; 						
Component 1: Restoration, management and increase of adaptation potential of natural landscapes of the area affected by climate change and anthropogenic factors						
Outcome 1: Adaptation and sustainability of natural landscapes of the area affected by climate change and anthropogenic factors increased.	<ul style="list-style-type: none"> ➤ N of ha of land rehabilitated and with increased adaptation capacity 	<ul style="list-style-type: none"> ➤ 30 ha of land rehabilitated and with increased adaptation capacity 	<ul style="list-style-type: none"> ➤ 465 ha of land rehabilitated and with increased adaptation capacity 	<ul style="list-style-type: none"> ➤ 1,990 ha of land rehabilitated and with increased adaptation capacity 	<ul style="list-style-type: none"> ➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys; ➤ M&E interim and final reports; ➤ Impact assessment 	EPIU, targeted municipalities and settlements;

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Result	Indicator	Baseline ¹⁷	Milestone ¹⁸ (end of year 2)	End of Project target ¹⁹	Means of verification	Responsibility
					report (upon completion);	
Output 1.1 Soil cover of mine adjacent to Ani community is recultivated (10 ha of forest cover will be created);	➤ N of ha of soil cover of mine recultivated	➤ 30 ha of soil cover of mine recultivated	➤ 35 ha of soil cover of mine recultivated	➤ 40 ha of soil cover of mine recultivated	<ul style="list-style-type: none"> ➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion); 	EPIU, targeted municipalities and settlements;
Output 1.2 Forest grove established with support of previous project is taken care of and became sustainable;	➤ N of trees and shrubs survived during the first 5 years;	➤ 5708 trees and 9066 shrubs (total 14774) survived during the first 5 years;	➤ 6660 trees and 10576 shrubs (total 17236) survived during the first 5 years;	➤ 8563 trees and 13598 shrubs (total 22161) survived during the first 5 years;	<ul style="list-style-type: none"> ➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion); 	EPIU, targeted municipalities and settlements;
Output 1.3 Sowing areas of perennial plants are created reducing rangeland degradation and enhancing the adaptability of degraded arable lands in Ani, Ashotsk and Artik (900 ha of	➤ N of ha of perennial sowing areas of perennial plants are created;	➤ 0 ha of perennial sowing areas of perennial plants are created;	➤ 300 ha of perennial sowing areas of perennial plants are created;	➤ 900 ha of perennial sowing areas of perennial plants are created;	<ul style="list-style-type: none"> ➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion); 	EPIU, targeted municipalities and settlements;

Result	Indicator	Baseline ¹⁷	Milestone ¹⁸ (end of year 2)	End of Project target ¹⁹	Means of verification	Responsibility
<i>perennial sowing area established</i>);						
Output 1.4 Crop yield and crop quality of the adjacent natural landscapes is increased in Ani, Ashotsk and Artik communities (45 ha hay meadows and 570 ha pastures);	<ul style="list-style-type: none"> ➢ N of ha hay meadows with increased crop yield and crop quality; ➢ N of ha pastures with increased crop yield and crop quality; 	<ul style="list-style-type: none"> ➢ 15 ha hay meadows with increased crop yield and crop quality; ➢ 190 ha pastures with increased crop yield and crop quality; 	<ul style="list-style-type: none"> ➢ 40 ha hay meadows with increased crop yield and crop quality; ➢ 460 ha pastures with increased crop yield and crop quality; 	<ul style="list-style-type: none"> ➢ 60 ha hay meadows with increased crop yield and crop quality; ➢ 760 ha pastures with increased crop yield and crop quality; 	<ul style="list-style-type: none"> ➢ Semi-annual project reports; ➢ Annual PPRs; ➢ Surveys; ➢ M&E interim and final reports; ➢ Impact assessment report (upon completion); 	EPIU, targeted municipalities and settlements;
Output 1.5 Waste collection practices are introduced in Ani, Ashotsk and Artik communities (garbage tracks, bins and collection) and pilot program for integrated management of household waste in the village of Vardakar is implemented;	<ul style="list-style-type: none"> ➢ N of waste management plans introduced in targeted communities; ➢ Pilot program for integrated management of household waste in the village of Vardakar is implemented; 	<ul style="list-style-type: none"> ➢ Waste management plans introduced in Artik community; 	<ul style="list-style-type: none"> ➢ - 	<ul style="list-style-type: none"> ➢ 3 of waste management plans introduced in targeted communities; ➢ Pilot program for integrated management of household waste in the village of Vardakar is implemented 	<ul style="list-style-type: none"> ➢ Semi-annual project reports; ➢ Annual PPRs; ➢ Surveys; ➢ M&E interim and final reports; ➢ Impact assessment report (upon completion); 	EPIU, targeted municipalities and settlements;
Output 1.6 Mapping of all degraded lands in Shirak region is implemented;	<ul style="list-style-type: none"> ➢ 100 ha of degraded land requiring priority interventions is mapped; 	<ul style="list-style-type: none"> ➢ 0 ha of degraded land requiring priority interventions is mapped; 	<ul style="list-style-type: none"> ➢ 100 ha of degraded land requiring priority interventions is mapped; 	<ul style="list-style-type: none"> ➢ 100 ha of degraded land requiring priority interventions is mapped; 	<ul style="list-style-type: none"> ➢ Semi-annual project reports; ➢ Annual PPRs; ➢ Surveys; ➢ M&E interim and final reports; 	EPIU, targeted municipalities and settlements;

Result	Indicator	Baseline ¹⁷	Milestone ¹⁸ (end of year 2)	End of Project target ¹⁹	Means of verification	Responsibility
					<ul style="list-style-type: none"> ➤ Impact assessment report (upon completion); 	
<p>Output 1.7 Infrastructure for piloting high value agriculture models (including new types of climate resilient crops) at 100 ha of degraded land is implemented with the commercial lending from private financier engaged (construction of the facilities);</p>	<ul style="list-style-type: none"> ➤ N ha of degraded land benefited from infrastructure for piloting high value agriculture models (<i>with the commercial lending</i>); ➤ % of women beneficiaries; 	<ul style="list-style-type: none"> ➤ 0 ha degraded land benefited from infrastructure for piloting high value agriculture models (<i>with the commercial lending</i>); ➤ 0% of women beneficiaries; 	<ul style="list-style-type: none"> ➤ 50 ha of degraded land benefited from infrastructure for piloting high value agriculture models (<i>with the commercial lending</i>); ➤ 60% of women beneficiaries; 	<ul style="list-style-type: none"> ➤ 100 ha of degraded land benefited from infrastructure for piloting high value agriculture models (<i>with the commercial lending</i>); ➤ 60% of women beneficiaries; 	<ul style="list-style-type: none"> ➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion); 	EPIU, targeted municipalities and settlements;
<p>Output 1.8 Demonstration sites for intensive orchards in all beneficiary communities are constructed (10 ha in each community);</p>	<ul style="list-style-type: none"> ➤ N ha in 3 beneficiary communities with demonstration sites for intensive orchards; ➤ % of women beneficiaries; 	<ul style="list-style-type: none"> ➤ 0 ha in 3 beneficiary communities with demonstration sites for intensive orchards; ➤ 0% of women beneficiaries; 	<ul style="list-style-type: none"> ➤ 15 ha in 3 beneficiary communities with demonstration sites for intensive orchards; ➤ 60% of women beneficiaries; 	<ul style="list-style-type: none"> ➤ 30 ha in 3 beneficiary communities with demonstration sites for intensive orchards; ➤ 60% of women beneficiaries; 	<ul style="list-style-type: none"> ➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys of training participants; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion); 	EPIU, targeted municipalities and settlements;
<p>Output 1.9 Architecture and</p>	<ul style="list-style-type: none"> ➤ N of Architecture and design work 	<ul style="list-style-type: none"> ➤ N of Architecture and design work 	<ul style="list-style-type: none"> ➤ N of Architecture and design work 	<ul style="list-style-type: none"> ➤ N of Architecture and design work 	<ul style="list-style-type: none"> ➤ Semi-annual project reports; 	EPIU, targeted municipalities and

Result	Indicator	Baseline ¹⁷	Milestone ¹⁸ (end of year 2)	End of Project target ¹⁹	Means of verification	Responsibility
design work for all components are carried out;	reports;	reports;	reports;	reports;	<ul style="list-style-type: none"> ➤ Annual PPRs; ➤ Surveys of training participants; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion); 	settlements;
Output 1.10 Index insurance piloted in beneficiary municipalities	<ul style="list-style-type: none"> ➤ N of farmers participated in the pilot of index insurance scheme; ➤ % of women beneficiaries; 	<ul style="list-style-type: none"> ➤ 0 farmers participated in training sessions of the pilot of index insurance scheme; ➤ 0% of women beneficiaries; 	<ul style="list-style-type: none"> ➤ 50 farmers participated in training sessions of the pilot of index insurance scheme; ➤ 60% of women beneficiaries; 	<ul style="list-style-type: none"> ➤ 100 farmers participated in training sessions of the pilot of index insurance scheme; ➤ 60% of women beneficiaries; 	<ul style="list-style-type: none"> ➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys of training participants; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion); 	EPIU, targeted municipalities and settlements;
Component 2: Prevention and management of floods						
Outcome 2: Social, economic and environmental threats caused by floods as a result of climate change are reduced	<ul style="list-style-type: none"> ➤ N of communities benefitted; ➤ N of settlements benefitted; ➤ % of vulnerable 	<ul style="list-style-type: none"> ➤ 0 community benefitted; ➤ 4 settlements;²¹ ➤ 100% of vulnerable settlements benefitted; 	<ul style="list-style-type: none"> ➤ 1 community benefitted; ➤ 3 settlements; ➤ 100% of vulnerable settlements benefitted; 	<ul style="list-style-type: none"> ➤ 1 community benefitted; ➤ 3 settlements; ➤ 100% of vulnerable settlements benefitted; 	<ul style="list-style-type: none"> ➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys; ➤ M&E interim and final reports; ➤ Impact 	EPIU, targeted municipalities and settlements;

²¹ The baseline is achieved in the result of implementation of the pilot Project “Artik city closed stone pit waste and flood management pilot project”. Back then a different administrative arrangement defined the division of regions into communities/settlements. As a result, settlements included in the previous project are now part of 1 community – Artik enlarged community. Hence, instead of only settlements the proposed project targets also a community of Shirak region.

Result	Indicator	Baseline ¹⁷	Milestone ¹⁸ (end of year 2)	End of Project target ¹⁹	Means of verification	Responsibility
	settlements benefited;				assessment report (upon completion);	
Output 2.1 Infrastructure constructed during the pilot project is maintained;	➤ N of infrastructural elements maintained;	➤ 3 infrastructural elements maintained;	➤ 3 infrastructural elements maintained;	➤ 3 infrastructural elements maintained;	➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion);	EPIU, targeted municipalities and settlements;
Output 2.2 Road infrastructure (two small bridges and renovation of existing road) is advanced to divert the heavy-duty vehicles away from the adjacent to the mine communities;	➤ N of bridges renovated; ➤ N of km of the existing roads renovated;	➤ 0 bridges renovated; ➤ 0 km of the existing roads renovated;	➤ 1 bridge renovated; ➤ 2 km of the existing roads renovated;	➤ 2 bridges renovated; ➤ 3 km of the existing roads renovated;	➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion);	EPIU, targeted municipalities and settlements;
Component 3: Raising awareness and knowledge level of population for the management of stone pit wastes and floods						
Outcome 3: Raising awareness and knowledge level of population on the recovery of agro landscapes and flood risk reduction	➤ N of community inhabitants benefiting from awareness raising and on the recovery of agro landscapes and flood risk; ➤ % of women beneficiaries;	➤ 1500 community inhabitants benefiting from awareness raising and on the recovery of agro landscapes and flood risk; ➤ 35% are women beneficiaries;	➤ 2500 community inhabitants benefiting from awareness raising and on the recovery of agro landscapes and flood risk; ➤ 60% are women beneficiaries;	➤ 3500 community inhabitants benefiting from awareness raising and on the recovery of agro landscapes and flood risk; ➤ 60 % are women	➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys of beneficiaries; ➤ M&E interim and final reports; ➤ Impact assessment report (upon	EPIU, targeted municipalities and settlements;

Result	Indicator	Baseline ¹⁷	Milestone ¹⁸ (end of year 2)	End of Project target ¹⁹	Means of verification	Responsibility
				beneficiaries;	completion);	
Output 3.1 The level of knowledge on effective recovery methods of degraded natural and agro landscapes will be increased;	<ul style="list-style-type: none"> ➤ N of beneficiaries with increased knowledge on effective recovery methods of degraded natural and agro landscapes; ➤ % of women beneficiaries; 	<ul style="list-style-type: none"> ➤ 200 beneficiaries with increased knowledge on effective recovery methods of degraded natural and agro landscapes; ➤ 40% are women beneficiaries; 	<ul style="list-style-type: none"> ➤ 500 beneficiaries with increased knowledge on effective recovery methods of degraded natural and agro landscapes; ➤ 60% are women beneficiaries; 	<ul style="list-style-type: none"> ➤ 700 beneficiaries with increased knowledge on effective recovery methods of degraded natural and agro landscapes; ➤ 60% are women beneficiaries; 	<ul style="list-style-type: none"> ➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys of beneficiaries; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion); 	EPIU, targeted municipalities and settlements;
Output 3.2 The knowledge level of the population on natural and agro landscape adaptation to climate change will be increased;	<ul style="list-style-type: none"> ➤ N of farmers and community workers whose knowledge has increased towards the adaptation of natural and agricultural landscapes; ➤ % of women beneficiaries; 	<ul style="list-style-type: none"> ➤ 200 farmers and community workers whose knowledge has increased towards the adaptation of natural and agricultural landscapes; ➤ 40% are women beneficiaries; 	<ul style="list-style-type: none"> ➤ 500 farmers and community workers whose knowledge has increased towards the adaptation of natural and agricultural landscapes; ➤ 60% are women beneficiaries; 	<ul style="list-style-type: none"> ➤ 700 farmers and community workers whose knowledge has increased towards the adaptation of natural and agricultural landscapes; ➤ 60% are women beneficiaries; 	<ul style="list-style-type: none"> ➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Surveys of training participants; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion); 	EPIU, targeted municipalities and settlements;
Output 3.3 Increasing of the knowledge level of the population on the occurrence and prevention possibilities of floods;	<ul style="list-style-type: none"> ➤ N of community workers whose knowledge towards management and prevention of floods has increased; ➤ % of women 	<ul style="list-style-type: none"> ➤ 25 community workers whose knowledge towards management and prevention of floods has increased; ➤ 30% are women 	<ul style="list-style-type: none"> ➤ 60 community workers whose knowledge towards management and prevention of floods has increased; ➤ 60% are women 	<ul style="list-style-type: none"> ➤ 80 community workers whose knowledge towards management and prevention of floods has increased; ➤ 60% are women 	<ul style="list-style-type: none"> ➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Community-based adaptation plans; ➤ M&E interim and final 	EPIU, targeted municipalities and settlements;

Result	Indicator	Baseline ¹⁷	Milestone ¹⁸ (end of year 2)	End of Project target ¹⁹	Means of verification	Responsibility
	beneficiaries;	beneficiaries;	beneficiaries;	beneficiaries;	reports; ➤ Impact assessment report (upon completion);	
Output 3.4 Promoting the importance of the sustainable thinking, learning and dissemination of information related to the landscape adaptation to climate change in communities;	➤ N of community engagement and awareness raising events; ➤ % of women beneficiaries;	➤ -	➤ 30 community engagement and awareness raising events; ➤ 60% of women beneficiaries;	➤ 60 community engagement and awareness raising events; ➤ 60% of women beneficiaries;	➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Strategies for sustaining climate smart agriculture and LDN; ➤ M&E interim and final reports; ➤ Impact assessment report (upon completion);	EPIU, targeted municipalities and settlements;
Output 3.5 The involvement of local media and environmental NGOs in the process of mitigating the negative effects of climate change will be increased;	➤ N of local media and environmental NGOs in the process of mitigating the negative effects of climate change;	➤ 3 local media and environmental NGOs in the process of mitigating the negative effects of climate change;	➤ 6 local media and environmental NGOs in the process of mitigating the negative effects of climate change;	➤ 9 local media and environmental NGOs in the process of mitigating the negative effects of climate change;	➤ Semi-annual project reports; ➤ Annual PPRs; ➤ Municipalities' and CSO's mapping, capacity assessment and completion reports; ➤ M&E interim and final reports; ➤ Impact assessment report (upon	EPIU, targeted municipalities and settlements;

Result	Indicator	Baseline ¹⁷	Milestone ¹⁸ (end of year 2)	End of Project target ¹⁹	Means of verification	Responsibility
					completion);	

Table 18: Compliance with AF's Core Impact Indicators

Adaptation Fund Core Impact Indicator "Number of Beneficiaries"				
Date of Report	-			
Project Title	Enhancing resilience of communities to climate change in Shirak Marz leveraging best practices of the pilot project implemented in Artik community			
Country	Republic of Armenia			
Implementing Agency	Environmental Project Implementation Unit			
Project Duration	4 years			
	Baseline (absolute number)	Target at project approval (absolute number)	Adjusted target first year of implementation (absolute number)	Actual at completion (absolute number)
Direct beneficiaries supported by the project	9,000	41,000	-	-
<i>Female direct beneficiaries</i>	5,400	24,600	-	-
<i>Youth direct beneficiaries</i>	450	16,400	-	-
Indirect beneficiaries supported by the project	6,000	84,960	-	-
<i>Female indirect beneficiaries</i>	3,600	50,976	-	-
<i>Youth indirect beneficiaries</i>	300	33,984	-	-

Adaptation Fund Core Impact Indicator “Natural Assets Protected and Rehabilitated”				
Date of Report	-			
Project Title	Enhancing resilience of communities to climate change in Shirak Marz leveraging best practices of the pilot project implemented in Artik community			
Country	Republic of Armenia			
Implementing Agency	Environmental Project Implementation Unit			
Project Duration	4 years			
	Baseline <i>(absolute number)</i>	Target at project approval <i>(absolute number)</i>	Adjusted target first year of implementation <i>(absolute number)</i>	Actual at completion <i>(absolute number)</i>
Natural Asset or Ecosystem				
Degraded stone pit landscape (Ani community)	30 ha	40 ha		
Perennial arable/rangeland ecosystems (Ani, Ashotsk, Artik)	0 ha	900 ha		
Pastures and hay meadows (ecological restoration)	205 ha (190 pasture + 15 meadow)	820 ha (760 pasture + 60 meadow)		
Forest grove (previously planted, now maintained)	14,774 (5,708 trees and 9,066 shrubs)	22,161 (8,563 trees and 13,598 shrubs)		
Mapped degraded landscapes in Shirak region	0 ha	100 ha		
Piloting high value agriculture models on degraded land	0 ha	100 ha		
Intensive orchards	0 ha	30 ha		

Total number of natural assets or ecosystems protected/rehabilitated	4	9		
Adaptation Fund Core Impact Indicator “Assets Produced, Developed, Improved, or Strengthened”				
Date of Report	-			
Project Title	Enhancing resilience of communities to climate change in Shirak Marz leveraging best practices of the pilot project implemented in Artik community			
Country	Republic of Armenia			
Implementing Agency	Environmental Project Implementation Unit			
Project Duration	4 years			
	Baseline <i>(absolute number)</i>	Target at project approval <i>(absolute number)</i>	Adjusted target first year of implementation <i>(absolute number)</i>	Actual at completion <i>(absolute number)</i>
Physical Assets				
Repair of flood prevention infrastructure	3	3		
Rehabilitation of road infrastructure	0 km	3 km		
Construction of small bridges	0	2		
<i>Changes in Asset (Quantitative or qualitative depending on the asset)</i>	3 infrastructural elements established; 0 bridges renovated; 0 km of the existing roads renovated	3 infrastructural elements maintained; 2 bridges renovated; 3 km of the existing roads renovated		

F. Demonstrate how the project/programme aligns with the Results Framework of the Adaptation Fund

Table 19: Alignment with AF's Results Framework

Project Objective(s)	Project Objective Indicator(s)	Fund Outcome	Fund Outcome Indicator	Grant Amount (USD)
1. Increase adaptation level of natural and agricultural landscapes.	N of Project beneficiaries (<i>direct & indirect</i>); % of women beneficiaries; N of communities benefited; N of settlements benefited; % of vulnerable settlements benefited.	Outcome 5: Increased ecosystem resilience in response to climate change and variability-induced stress.	5. Ecosystem services and natural assets maintained or improved under climate change and variability-induced stress.	1,480,660
2. Prevent floods and eliminate their consequences.	N of communities benefited; N of settlements benefited; % of vulnerable settlements benefited.	Outcome 1: Reduced exposure to climate-related hazards and threats.	1. Relevant threat and hazard information generated and disseminated to stakeholders on a timely basis.	50,000
		Outcome 4: Increased adaptive capacity within relevant development sector services and infrastructure assets.	4.2. Physical infrastructure improved to withstand climate change and variability-induced stress.	700,000
3. Restore the natural landscape of the area affected by climate change and anthropogenic impacts, at the same time to demonstrate the possibilities of adaptation level increase of degraded natural landscapes.	N of Project beneficiaries (<i>direct & indirect</i>); % of women beneficiaries; N of communities benefited; N of settlements benefited; % of vulnerable settlements benefited.	Outcome 5: Increased ecosystem resilience in response to climate change and variability-induced stress.	5. Ecosystem services and natural assets maintained or improved under climate change and variability-induced stress.	1,480,660
4. Improve the adaptation potential of community	N of Project beneficiaries (<i>direct indirect</i>); % of women beneficiaries;	Outcome 2: Strengthened institutional capacity	2.1. Capacity of staff to respond to, and mitigate	123,310

producers, institutions, and other relevant stakeholders regarding climate change under current climate change conditions.	N of communities benefited; N of settlements benefited; % of vulnerable settlements benefited.	to reduce risks associated with climate-induced socioeconomic and environmental losses. Outcome 3: Strengthened awareness and ownership of adaptation and climate risk reduction processes at local level.	impacts of, climate-related events from targeted institutions increased. 3.1. Percentage of targeted population aware of predicted adverse impacts of climate change, and of appropriate responses.	176,690
5. Replicate and scale up good practices achieved during implementation of the pilot project "Artik city closed stone pit waste and flood management pilot project".	N of communities benefited; N of settlements benefited; % of vulnerable settlements benefited.	Outcome 8: Support the development and diffusion of innovative adaptation practices, tools and technologies .	8. Innovative adaptation practices are rolled out, scaled up, encouraged and/or accelerated at regional, national and/or subnational level.	50,000
Project Outcome(s)	Project Outcome Indicator(s)	Fund Output	Fund Output Indicator	Grant Amount (USD)
1. Adaptation and sustainability of natural landscapes of the area affected by climate change and anthropogenic factors increased.	N of ha of land rehabilitated and with increased adaptation capacity	Output 5: Vulnerable ecosystem services and natural resource assets strengthened in response to climate change impacts, including variability	5.1. No. of natural resource assets created, maintained or improved to withstand conditions resulting from climate variability and change (by type and scale)	2,961,320
2. Social, economic, and environmental threats caused by floods as a result of climate change are reduced	N of communities benefited; N of settlements benefited; % of vulnerable settlements benefited;.	Output 1. 2: Targeted population groups covered by adequate risk reduction systems. Output 4: Vulnerable development sector services and infrastructure assets strengthened in response to climate change impacts, including	1.2.1 Percentage of target population covered by adequate risk reduction systems. 4.1.2. No. of physical assets strengthened or constructed to withstand conditions resulting from climate variability and change.	50,000 700,000

		variability. Output 8: Viable innovations are rolled out, scaled up, encouraged and/or accelerated.	8.1. No. of innovative adaptation practices, tools, and technologies accelerated, scaled up and/or replicated.	50,000
3. Raising awareness and knowledge level of population on the recovery of agro landscapes and flood risk reduction	N of community inhabitants benefiting from awareness raising and on the recovery of agro landscapes and flood risk; % of women beneficiaries.	Output 2.1: Strengthened capacity of national and sub-national centers and networks to respond rapidly to extreme weather events. Output 3.1: Targeted population groups participating in adaptation and risk reduction awareness activities. Output 3.2: Strengthened capacity of national and subnational stakeholders and entities to capture and disseminate knowledge and learning.	2.1.1. No. of staff trained to respond to, and mitigate impacts of, climate-related events (by gender) 3.1.1 No. of news outlets in the local press and media that have covered the topic. 3.2.2 No. of tools and guidelines developed (thematic, sectoral, institutional) and shared with relevant stakeholders.	123,310 53,000 123,690

G. Include a detailed budget with budget notes, a budget on the Implementing Entity management fee use, and an explanation and a breakdown of the execution costs.

Table 20: Budget Breakdown

Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
Component 1: Restoration, management, and increase of adaptation potential of natural and agricultural landscapes of the area affected by climate change and anthropogenic factors.							
Output 1.1 Soil cover of mine adjacent to Ani community is recultivated (10 ha of forest cover will be created);	Construction Company N 1	<p>;The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for land restoration efforts. The budget covers a series of preparatory and infrastructure measures aimed at restoring degraded land and supporting sustainable use:</p> <ul style="list-style-type: none"> • Land leveling: A volume of 6,018 cubic meters will be leveled at a unit cost of \$3.66 per m³, totaling \$22,026. • Excess soil removal: 1,625 m³ of surplus soil will be removed and transported up to 5 km at \$3.83 per m³, totaling \$6,224. • Mining residue collection and removal: 800 m³ of mining waste will be gathered and transported up to 5 km at a cost of \$7.78 per m³, totaling \$6,224. • Purchase and delivery of topsoil: 550 m³ of black soil will be purchased and transported to the restoration site at a unit cost of \$12, totaling \$6,600. • Procurement and delivery of organic fertilizer: 22 tons of organic fertilizer will be acquired and transported at a unit cost of \$151.20 per ton, totaling \$3,326. 	-	90,000	-	-	216,320

²² To be also considered as project activities.

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Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
		<ul style="list-style-type: none"> • Construction of irrigation network: An irrigation system covering 10 hectares will be built at a cost of \$4,560 per hectare, totaling \$45,600. These measures collectively aim to restore soil productivity and enable long-term sustainable land use. 					
		<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for afforestation and site restoration:</p> <ul style="list-style-type: none"> • Site marking with rope: A total of 10 hectares will be marked at a unit cost of \$50 per hectare, totaling \$500. • Excavation of planting pits (50x50x50 cm): A total of 20,000 pits will be excavated at a unit cost of \$1.00 per pit, totaling \$20,000. • Preparation of pits for planting: A total of 20,000 pits will be prepared at a unit cost of \$0.30 per pit, totaling \$6,000. • Procurement of seedlings: A total of 20,000 seedlings will be purchased at a unit cost of \$1.50 per seedling, totaling \$30,000. • Planting of seedlings: A total of 20,000 seedlings will be planted at a unit cost of \$0.60 per seedling, totaling \$12,000. • Sowing of native shrub/tree species seeds: A total of 10 hectares will be sown at a unit cost of \$800 per hectare, totaling \$8,000. • Initial watering of seedlings (10L per seedling): A total of 20,000 seedlings will be watered at a unit cost of \$0.50 per seedling, totaling \$10,000. • Procurement and sowing of native herbaceous species seeds: A total of 10 	-	-	126,320	-	

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Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
		<p>hectares will be covered at a unit cost of \$550 per hectare, totaling \$5,500.</p> <ul style="list-style-type: none"> • First-year maintenance (watering, mowing, weed removal, etc.): A total of 10 hectares will be maintained at a unit cost of \$800 per hectare, totaling \$8,000. • Second-year maintenance (replacement planting, watering, mowing, weed removal, etc.): A total of 10 hectares will be maintained at a unit cost of \$1,100 per hectare, totaling \$11,000. • Construction of protective fencing: A total of 1,600 meters of fencing will be installed at a unit cost of \$6.80 per meter, totaling \$10,880. • Site supervision and monitoring: A total of 10 hectares will be monitored at a unit cost of \$440 per hectare, totaling \$4,440. <p>These activities are designed to ensure effective establishment of forest vegetation, reduce seedling mortality, and enhance the ecological integrity and resilience of the restored areas.</p>					
<p>Output 1.2 Forest grove established with support of previous project is taken care of and became sustainable;</p>	Specialized Company N 1	<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for the maintenance and rehabilitation of afforested areas.</p> <ul style="list-style-type: none"> • Soil loosening and weed removal around seedlings: A total of 40 hectares will be maintained at a unit cost of \$70.40 per hectare, totaling \$11,280. • Repair of seedling irrigation basins: A total of 40 hectares will be serviced at a unit cost of \$78.50 per hectare, totaling \$12,560. • Repair of irrigation ditches: A total of 40 hectares will be maintained at a unit cost of \$80.00 per hectare, totaling \$12,800. 	45,000	45,000	45,000	45,000	180,000

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Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
		<ul style="list-style-type: none"> • Watering of seedlings: A total of 40 hectares will be irrigated at a unit cost of \$200.00 per hectare, totaling \$32,000. • Mowing and transportation of grass: A total of 40 hectares will be serviced at a unit cost of \$186.00 per hectare, totaling \$29,760. • Replacement of dead seedlings with new ones: A total of 40 hectares will be restored at a unit cost of \$150.00 per hectare, totaling \$24,000. • Repair of damaged fence sections: A total of 40 hectares will be fenced at a unit cost of \$120.00 per hectare, totaling \$19,200. • Site supervision and monitoring: A total of 40 hectares will be monitored at a unit cost of \$240.00 per hectare, totaling \$38,400. <p>These activities are intended to sustain the survival and growth of existing plantations by ensuring proper maintenance, replanting, and protection across the entire site.</p>					
Output 1.3 Sowing areas of perennial plants are created reducing rangeland degradation and enhancing the adaptability of degraded arable lands in Ani, Ashotsk and Artik (900 ha of perennial sowing area established);	Specialized Company N 2	<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for preparing and cultivating land for seeding operations.</p> <ul style="list-style-type: none"> • Deep plowing (25–28 cm): A total of 900 hectares will be plowed at a unit cost of \$130.00 per hectare, totaling \$117,000. • Cultivation (10–12 cm): A total of 900 hectares will be cultivated at a unit cost of \$107.00 per hectare, totaling \$96,300. • Harrowing: A total of 900 hectares will be harrowed at a unit cost of \$85.00 per hectare, totaling \$76,500. • Procurement of seeds: A total of 900 hectares 	300,000	300,000	100,000	-	700,000

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Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
		<p>will be supplied with seeds at a unit cost of \$278.00 per hectare, totaling \$250,200.</p> <ul style="list-style-type: none"> • Seeding operations: A total of 900 hectares will be sown at a unit cost of \$77.00 per hectare, totaling \$69,300. • Fertilization with nitrogen-based fertilizers: A total of 900 hectares will be fertilized at a unit cost of \$65.80 per hectare, totaling \$59,200. • Transportation costs: A total of 900 hectares will incur transportation at a unit cost of \$35.00 per hectare, totaling \$31,500. <p>These activities are intended to ensure full-cycle land preparation and seeding to support sustainable vegetation cover and improve soil productivity.</p>					
<p>Output 1.4 Crop yield and crop quality of the adjacent natural landscapes is increased in Ani, Ashotsk and Artik communities (45 ha hay meadows and 570 ha pastures);</p> <p>Output 1.5 Waste collection practices are introduced in Ani, Ashotsk and Artik communities (garbage tracks, bins and collection) and</p>	Specialized Company N 3	<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for preparing land and sowing native herbaceous vegetation.</p> <ul style="list-style-type: none"> • Site preparation (stone removal, harrowing, and clod clearing): A total of 615 hectares will be prepared at a unit cost of \$134.40 per hectare, totaling \$82,631.4. • Procurement, transportation, and application of fertilizers: A total of 615 hectares will be treated at a unit cost of \$201.00 per hectare, totaling \$123,615. • Procurement, delivery, and sowing of native herbaceous seeds: A total of 615 hectares will be covered at a unit cost of \$250.00 per hectare, totaling \$153,750. <p>These activities aim to restore vegetative cover, enhance soil stability, and improve the ecological functionality of the target area.</p>	60,000	60,000	60,000	60,000	360,000
					30,000	30,000	
	Waste	The projections are based on the prior experience of	-	130,000	-	-	220,000

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Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
pilot program for integrated management of household waste in the village of Vardakar is implemented;	management Company N 1	<p>EPIU with similar project activities and reflect the typical cost structure for initiating a community-level solid waste management intervention.</p> <ul style="list-style-type: none"> • Procurement of waste collection truck: A total of 1 unit will be purchased at a unit cost of \$75,000, totaling \$75,000. • Procurement of waste bins: A total of 300 units will be purchased at a unit cost of \$180 per bin, totaling \$54,000. • Implementation of a pilot program for integrated household waste management in Vardakar village: The pilot initiative will be implemented at a cost of \$71,000, totaling \$71,000. <p>These activities are designed to improve waste collection infrastructure and demonstrate effective household waste management practices at the local level.</p>	-	30,000	30,000	30,000	
Output 1.6 Mapping of all degraded lands in Shirak region is implemented;	Specialized Company N4	Per ha average costs based on average for the similar activities under the projects implemented by EPIU.	25,000	-	-	-	25,000
Output 1.7 Infrastructure for piloting high value agriculture models (including new types of climate resilient crops) at 100 ha of degraded land is implemented with the commercial	Specialized Company N5	<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for climate-resilient agricultural demonstrations combining crop production and infrastructure support.</p> <ul style="list-style-type: none"> • Establishment of climate-resilient demonstration plots: A total of 100 hectares will be developed, including selection of climate-resilient crop varieties, installation of water-saving irrigation systems, deployment of small-scale solar PV units for pumping, and construction of 	25,000	-	-	-	250,000
			15,000	-	-	-	
			100,000	110,000	-	-	

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Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
lending from private financier engaged (construction of the facilities);		basic infrastructure for crop intake and short-term storage. The unit cost is \$2,500.00 per hectare, totaling \$250,000 . This activity is intended to demonstrate integrated climate-smart agricultural practices and technologies at scale in a real-world production setting.					
Output 1.8 Demonstration sites for intensive orchards in all beneficiary communities are constructed (10 ha in each community);	Construction Company N 1	The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for establishing climate-resilient orchards with integrated irrigation and protective systems. <ul style="list-style-type: none"> • Selection of climate-appropriate fruit and berry varieties and orchard establishment: A total of 30 hectares will be developed at a unit cost of \$5,000.00 per hectare, totaling \$150,000. • Construction of drip irrigation system: A total of 30 hectares will be equipped with drip irrigation at a unit cost of \$10,600.00 per hectare, totaling \$318,000. • Installation of anti-hail netting: A total of 30 hectares will be covered with protective netting at a unit cost of \$14,400.00 per hectare, totaling \$432,000. These activities aim to establish productive, climate-resilient orchard systems that improve water efficiency and protect crops against extreme weather events.	300,000	300,000	300,000	-	900,000
Output 1.9 Architecture and design work for all components are carried out;	Architectural design Company N1		85,000	-	-	-	85,000
Output 1.10 Index insurance piloted in	Insurance Company N 1	Average costs for the similar activity (per ha/crop/weather risk) based on the desk research	-	15,000	10,000	-	25,000

Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
beneficiary municipalities							
Subtotal for Component 1			985,000	1,110,000	701,320	165,000	2,961,320
Component 2: Prevention and management of floods							
Output 2.1 Infrastructure constructed during the pilot project is maintained;	Specialized Company N6	<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for small-scale flood prevention infrastructure rehabilitation.</p> <ul style="list-style-type: none"> • Repair of damaged sections of flood prevention structures, stabilized slopes, and flood channels: A single intervention will be implemented at a unit cost of \$100,000.00, totaling \$100,000. <p>This activity is intended to restore the functionality of critical hydraulic structures and reduce vulnerability to flood-related damage in the targeted area.</p>	25,000	25,000	25,000	25,000	100,000
Output 2.2 Road infrastructure (two small bridges and renovation of existing road) is advanced to divert the heavy-duty vehicles away from the adjacent to the mine communities;	Specialized Company N6	<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for access infrastructure improvements in restored quarry areas.</p> <ul style="list-style-type: none"> • Rehabilitation of the bypass road around the 40-hectare restored quarry site: A total of 3 kilometers will be repaired at a unit cost of \$40,000.00 per kilometer, totaling \$120,000. • Construction of small bridges: A total of 2 bridges will be constructed at a unit cost of \$290,000.00 per unit, totaling \$580,000. <p>These activities are intended to ensure safe and reliable access to the restored area, facilitating transport and future land use.</p>	200,000	400,000	100,000	-	700,000
Subtotal for Component 2.			225,000	425,000	125,000	25,000	800,000
Component 3: Raising awareness and knowledge level of population for the management of stone pit wastes and floods							

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Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
<p>Output 3.1 The level of knowledge on effective recovery methods of degraded natural and agro landscapes will be increased</p>	Consulting Company N 1	<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for community engagement and awareness-raising interventions.</p> <ul style="list-style-type: none"> • Needs assessment in project target communities: A total of 3 assessments will be conducted at a unit cost of \$4,000.00 per assessment, totaling \$12,000. • Development of knowledge enhancement plans: A total of 3 plans will be developed at a unit cost of \$1,500.00 per plan, totaling \$4,500. • Production of informational leaflets and brochures: A total of 8 materials will be produced at a unit cost of \$500.00 per item, totaling \$4,000. • Organization of seminars (including venue rental and catering): A total of 21 seminars will be organized at a unit cost of \$1,881.00 per event, totaling \$39,500. <p>These activities are intended to improve local awareness, build institutional capacity, and ensure inclusive participation in the implementation of project objectives.</p>	15,000	15,000	15,000	15,000	60,000
<p>Output 3.2 The knowledge level of the population on natural and agro landscape adaptation to climate change will be increased;</p>	Consulting Company N 2	<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for community-level consultation and awareness-raising efforts.</p> <ul style="list-style-type: none"> • Needs assessment in project target communities: A total of 3 assessments will be conducted at a unit cost of \$2,000.00 per assessment, totaling \$6,000. • Development of knowledge enhancement plans: A total of 3 plans will be developed at a unit cost of \$1,198.00 per plan, totaling \$3,595. • Production of informational leaflets and 	20,000	20,000	-	-	40,000

Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
		<p>brochures: A total of 10 materials will be produced at a unit cost of \$300.00 per item, totaling \$3,000.</p> <ul style="list-style-type: none"> • Organization of seminars (including venue rental and catering): A total of 15 seminars will be organized at a unit cost of \$1,827.00 per event, totaling \$27,405. <p>These activities are intended to support informed participation of stakeholders and strengthen awareness and knowledge in the targeted communities.</p>					
<p>Output 3.3 Increasing of the knowledge level of the population on the occurrence and prevention possibilities of floods;</p>	Consulting Company N 3	<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for local knowledge enhancement and outreach.</p> <ul style="list-style-type: none"> • Development of knowledge enhancement plans: A total of 3 plans will be developed at a unit cost of \$1,198.00 per plan, totaling \$3,595. • Production of informational leaflets and brochures: A total of 10 materials will be produced at a unit cost of \$300.00 per item, totaling \$3,000. • Organization of seminars (including venue rental and catering): A total of 15 seminars will be organized at a unit cost of \$2,227.00 per event, totaling \$33,405. <p>These activities are intended to strengthen awareness, improve communication tools, and ensure knowledge transfer across stakeholders in the target areas.</p>	15,000	15,000	10,000	-	40,000

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Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
<p>Output 3.4 Promoting the importance of the sustainable thinking, learning and dissemination of information related to the landscape adaptation to climate change in communities;</p>	Consulting Company N 4	<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for planning, communication, and awareness-raising interventions.</p> <ul style="list-style-type: none"> • Development of workplans and implementation schedules: A total of 3 plans will be developed at a unit cost of \$4,000.00 per plan, totaling \$12,000. • Production and dissemination of informational leaflets, brochures, and social media content: A total of 50 materials will be prepared and distributed at a unit cost of \$500.00 per item, totaling \$25,000. • Organization of educational and awareness-raising campaigns: A total of 20 campaigns will be conducted at a unit cost of \$1,150.00 per campaign, totaling \$23,000. <p>These activities are intended to enhance public engagement, improve access to climate information, and ensure broad visibility of project messages across various platforms.</p>	20,000	20,000	20,000	-	60,000
<p>Output 3.5 The involvement of local media and environmental NGOs in the process of mitigating the negative effects of climate change will be increased</p>	Consulting Company N 5	<p>The projections are based on the prior experience of EPIU with similar project activities and reflect the typical cost structure for stakeholder engagement, communication, and capacity-building of local media and civil society.</p> <ul style="list-style-type: none"> • Needs assessment and stakeholder mapping: A total of 3 assessments will be conducted at a unit cost of \$4,000.00 per assessment, totaling \$12,000. • Development of workplans and implementation schedules: A total of 3 plans will be developed at a unit cost of \$4,000.00 per plan, totaling \$12,000. 	50,000	50,000	-	-	100,000

Output	Item	Budget Notes ²²	Budget during Project lifespan (in USD)				Total Budget (in USD)
			Year 1	Year 2	Year 3	Year 4	
		<ul style="list-style-type: none"> • Organization of capacity-building trainings for local media and NGOs: A total of 10 trainings will be conducted at a unit cost of \$2,200.00 per training, totaling \$23,000. • Preparation and dissemination of informational materials for local media: A total of 25 materials will be developed and distributed at a unit cost of \$1,000.00 per item, totaling \$25,000. • Showcasing of project activities for local media and NGOs: A total of 14 events will be organized at a unit cost of \$2,000.00 per event, totaling \$28,000. <p>These activities are intended to improve the visibility of the project, foster transparent communication, and strengthen the role of local actors in climate action.</p>					
Subtotal for Component 3			120,000	120,000	45,000	15,000	300,000
TOTAL for Project's Components			1,330,000	1,655,000	871,320	205,000	4,061,320
Project Execution costs (EPIU)1.5% of total budget)			15,500	15,500	15,500	14,420	60,920
TOTAL Project Costs			1,345,500	1,670,500	886,820	219,420	4,122,240
IE Fee / Oversight Costs (*max 8.5% of total budget)			65,360	63,000	83,000	85,000	350,390
GRAND TOTAL			1,431,640	1,734,250	986,070	320,670	4,472,630

Table 21: IE Fee / Oversight Costs (*max 8.5% of total budget) in USD

Item	Responsible	Project Lifespan				Total
		1 st year	2 nd year	3 ^d year	4 th year	
<i>I. Project Management</i>						
Project Manager	EPIU PMU	18,500	18,500	18,500	18,500	74,000
Regional Coordinator/s	EPIU PMU	10,000	10,000	10,000	10,000	40,000

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Monitoring Specialist	EPIU PMU	8,000	8,000	8,000	8,000	32,000
Social and Gender risk assessment specialist	EPIU PMU	7,250	7,250	7,250	7,250	29,000
Environmental risk specialist	EPIU PMU	6,000	6,000	6,000	6,000	24,000
<i>Subtotal for Project Management</i>		49,750	49,750	49,750	49,750	199,000
<i>II. Monitoring & Evaluation</i>						
Quarterly and annual Reports	EPIU PMU	-	-	-	-	-
Completion Report	EPIU PMU	-	-	-	-	-
Project Management Board Meetings	Project manager	1,390	1,000	1,000	1,000	4,390
Technical & copyright supervision	Local expert/s	10,000	10,000	10,000	10,000	40,000
Inception and Final Workshops	EPIU PMU	2,000	-	-	2,000	4,000
Baseline report	Local expert/s	20,000	-	-	-	20,000
Mid-term evaluation	International Expert	-	-	35,500	-	35,500
Terminal Evaluation	International Expert	-	-	-	35,500	35,500
External Audit	National audit company	3,000	3,000	3,000	3,000	12,000
<i>Subtotal for Monitoring & Evaluation</i>		36,390	14,000	49,500	51,500	151,390
TOTAL		86,140	63,750	99,250	101,250	350,390

Table 22: Project Execution costs (EPIU)1.5% of total budget in USD

Item	Project Lifespan				Total
	1 st year	2 nd year	3 ^d year	4 th year	
Finance Officer	6,000	6,000	6,000	6,000	24,000
Administrative Support	4,000	4,000	4,000	4,000	16,000
Procurement Specialist	2,500	2,500	2,500	1,420	8,920
Field trips	1,500	1,500	1,500	1,500	6,000
Office supplies	1,500	1,500	1,500	1,500	6,000
TOTAL:	15,500	15,500	15,500	14,420	60,920

H. Include a disbursement schedule with time-bound milestones.

Table 23: Disbursement Schedule in USD

	Upon signature of the Agreement	One Year after Project Start	Year 2	Year 3	Total

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Scheduled Date	January 2026	January 2027	January 2028	January 2029	
Project Funds	1,345,500	1,670,500	886,820	219,420	<u>4,122,274</u>
IE Fee / Oversight Costs	86,140	63,750	99,250	101,250	<u>350,390</u>
Total	<u>1,431,640</u>	<u>1,734,250</u>	<u>986,070</u>	<u>320,670</u>	<u>4,472,630</u>

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PART IV: ENDORSEMENT BY GOVERNMENT AND CERTIFICATION BY THE IMPLEMENTING ENTITY

A. Record of endorsement on behalf of the government² Provide the name and position of the government official and indicate date of endorsement. If this is a regional project/programme, list the endorsing officials all the participating countries. The endorsement letter(s) should be attached as an annex to the project/programme proposal. Please attach the endorsement letter(s) with this template; add as many participating governments if a regional project/programme:

Hakob Simidyan <i>Minister of Environment of the Republic of Armenia</i>	August 18, 2023
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B. Implementing Entity certification Provide the name and signature of the Implementing Entity Coordinator and the date of signature. Provide also the project/programme contact person's name, telephone number and email address

I certify that this proposal has been prepared in accordance with guidelines provided by the Adaptation Fund Board, and prevailing National Development and Adaptation Plans (National Adaptation Plan, Sectorial Adaptation plans and Matz (Regional) Adaptation Plans) and subject to the approval by the Adaptation Fund Board, commit to implementing the project/programme in compliance with the Environmental and Social Policy and the Gender Policy of the Adaptation Fund and on the understanding that the Implementing Entity will be fully (legally and financially) responsible for the implementation of this project/programme.

Name & Signature:  Implementing Entity Coordinator: Armen Yesoyan, Director, "Environmental Project Implementation Unit" State Agency Under the Ministry of Environment of the Republic of Armenia	
Date: <i>27.01.2025</i>	Tel. and email: info@cep.am, +37410651631
Project Contact Person: Margarita Gasparyan, Head of Cooperation with Donors Department, "Environmental Project Implementation Unit" State Agency under the Ministry of Environment of the Republic of Armenia Milena Kiramijyan, Chief Specialist of Cooperation with Donors Department, "Environmental Project Implementation Unit" State Agency under the Ministry of Environment of the Republic of Armenia	
Tel. And Email: margarita.gasparyan@epiu.am, +37410651631 milena.kiramijyan@epiu.am, +37410651631	

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REPUBLIC OF ARMENIA
MINISTER OF ENVIRONMENT
РЕСПУБЛИКА АРМЕНИЯ
МИНИСТР ОКРУЖАЮЩЕЙ СРЕДЫ

№ 1/08.5/12087

« 18 » « 08 » 2023

To: The Adaptation Fund Board
c/o Adaptation Fund Board Secretariat
Email: Secretariat@Adaptation-Fund.org
Fax: 202 522 3240/5

Subject: Endorsement for the project “Enhancing resilience of communities to climate change in Shirak Marz leveraging best practices of the pilot project implemented in Artik community”

In my capacity as designated authority for the Adaptation Fund in the Republic of Armenia, I confirm that the above national grant proposal is in accordance with the government’s national priorities in implementing adaptation activities to reduce adverse impacts of, and risks, posed by climate change in the Republic of Armenia.

Accordingly, I am pleased to endorse the above grant proposal with support from the Adaptation Fund. If approved, the project will be implemented by the “Environmental Project Implementation Unit” State Agency of the Ministry of Environment of the Republic of Armenia and executed by the same Agency.

Sincerely,

18.08.2023

X

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Signed by: SIMIDYAN HAKOB 3004840588

Mr. Hakob Simidyan

International Cooperation Department
Ani Khachatryan, +37411 818 508



ANNEX I. – GENDER ASSESSMENT

I. Introduction

This Gender Assessment will serve as a resource for the RoA Ministry of Environment, Environmental Project Implementation Unit State Agency during the projects implementation and some elements will be used as an awareness-raising tool for the wider public. In addition to the work conducted during the preparation of the funding proposal, a series of consultations with diverse groups, including grass root women's groups and women from female headed households will be held under various project components throughout the project cycle. Similarly, the surveys planned at mid-term and conclusion of the project will ensure that the questionnaires are developed in a gender responsive manner, and gender analysis is conducted based on the survey results.

II. Existing Gender Inequality in Armenia

Attainment of women and men's equality is one of the main goals and an important part of the international development agenda. The principle of gender equality reflects the idea that it is impossible to achieve full realization of human rights without ensuring equal rights, responsibilities, and opportunities for men and women. This principle is stressed in numerous international documents, agreements, national constitutions, and legislative acts of the states of the world, including the Republic of Armenia.

In recent years, Armenia has made certain progress in human development including gender equality. The progress is mainly achieved thanks to the improvements in legislative environment and policy frameworks triggered by international conventions on gender equality and women rights as well as changes in the national legislation.

Thus, equal rights and equal opportunities for citizens are currently enshrined in the Armenian Constitution (articles 28, 29, 30, 86, 87) and in the RoA *Law on provision of equal rights and equal opportunities for women and men* adopted in 2013.

Armenia is a member of more than 40 international organizations, including the United Nations; the Council of Europe; the Asian Development Bank; the World Trade Organization; World Customs Organization; the Organization of the Black Sea Economic Cooperation; and La Francophonie. During the independence Armenia signed and adopted almost all the international documents and treaties on gender equality. Below is the list of Republic of Armenia legally binding laws and political commitments to reduce gender inequalities ratified by the country, such as:

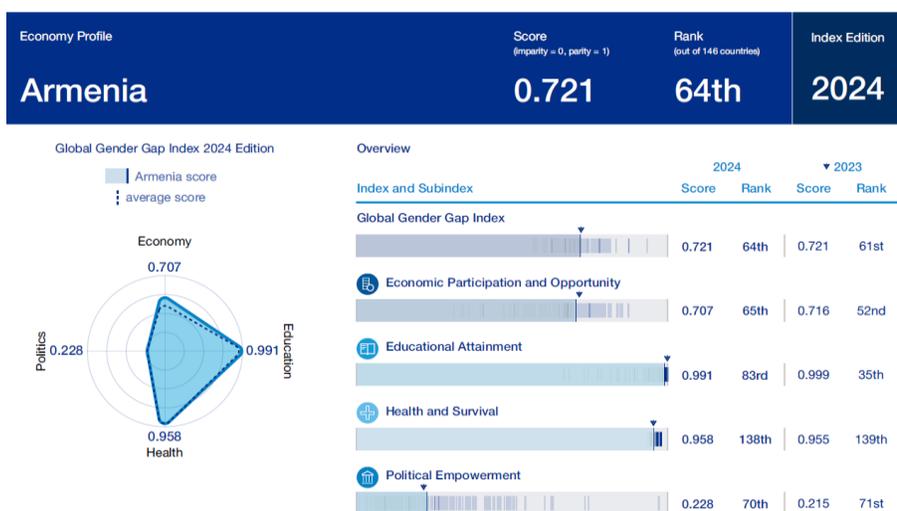
- Beijing Declaration and Platform for Action;
- Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) and Optional Protocol to the Convention on the Elimination of All Forms of Discrimination Against Women;
- Council of Europe Declaration on Equality of Women and Men;
- Declaration: Making Gender Equality a Reality (119th Session of the Committee of Ministers, Madrid, 12 May 2009);
- International Covenant on Civil and Political Rights and Optional Protocol to the International Covenant on Civil and Political Rights;
- International Covenant on Economic, Social and Cultural Rights and Optional Protocol to the International Covenant on Economic, Social and Cultural Rights;
- Istanbul Declaration on Equality Between Men and Women as a Fundamental Criterion of Democracy;
- PACE Resolution 1489 (2006): Mechanisms to Ensure Women's Participation in Decision Making;
- Recommendation CM/Rec(2007)17 of the Committee of Ministers to Member States on Gender Equality Standards and Mechanisms;
- Recommendation Rec(2003)3 of the Committee of Ministers to Member States on Balanced Participation of Women and Men in Political and Public Decision Making;
- Transforming Our World: The 2030 Agenda for Sustainable Development – Resolution;

➤ Universal Declaration of Human Rights (UDHR).

Despite the professed commitment to gender equality the situation leaves much to be desired, especially from the perspective of substantive equality, which encompasses not only equal rights but also equality of opportunity and equality of outcomes. This gap between rhetoric and reality is most vividly demonstrated in low participation in political and economic decision-making, the feminization of poverty and higher rates of women in low-paid jobs and in unemployment, which further undermine their status in the society.

The gender situation in country is reflected in the Gender Gap/Inequality Index²³, according to which Armenia ranks 64th among 146 countries (2024) with an overall score around [72.1](#).

Figure 2: Gender Gap Index



Armenia's Human Development Index value for 2022 is 0.79 - which put the country in the High human development category - positioning it at [75 out of 204 countries and territories](#) where Gender Inequality Index²⁴ and Gender Development Index²⁵ are taken into account. As evidenced by the indicators, the best situation is in economic participation and opportunity and educational attainment.

In "health and survival" sector, where differences in life expectancy and in sex ratio at birth are also taken into

²³ The Index is calculated by the World Economic Forum (WEF) in four key areas of economy, politics, education and health. The index reflects most accurately the problem of ineffective use of human capital and proves that the countries that make ineffective use of the half of their labor resources risk diminishing competitiveness.

²⁴ **Gender Inequality Index (GII)** reflects gender-based inequalities in three dimensions: Reproductive health is measured by maternal mortality and adolescent birth rates; Empowerment is measured by the share of parliamentary seats held by women and attainment in secondary and higher education by each gender; Economic activity is measured by the labour market participation rate for women and men. The GII can be interpreted as the loss in human development due to inequality between female and male achievements in the three GII dimensions, *ibid*

²⁵ **Gender Development Index (GDI)** is based on the sex-disaggregated Human Development Index, defined as a ratio of the female to the male HDI. The GDI measures gender inequalities in achievement in three basic dimensions of human development: health (measured by female and male life expectancy at birth), education (measured by female and male expected years of schooling for children and mean years for adults aged 25 years and older); and command over economic resources (measured by female and male estimated GNI per capita), *ibid*

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consideration, Armenia ends up with the 138th (out of 146) rank²⁶ because of the practice of sex-selective abortions. Nevertheless, in this area some positive changes have been taking place. The reported boy preference has decreased significantly, being replaced by a response favoring no gender for any future child. According to the National statistical service data for 2017, unlike 2011, when 59.3 percent explicated reported believing that the environment (that is the reference network) preferred a boy over a girl, this number has declined to a level of 36.7 percent. The real situation has been also changed: in 2016, the birth ratio of boys to girls dropped to [112 boys per 100 girls](#) instead of 115 boys per 100 girls, as it was five years ago²⁷.

Table 24: Demographic statistics disaggregated by sex ²⁸

Demographic profile	Women #	Men #	Women %
Total population	1 571 757	1 405 373	53
Rural	551 362	527 628	51
Urban	1 020 395	877 745	53,8
Life expectancy at birth - rural	78.7	71.7	
Life expectancy at birth - urban	78.1	71.2	
Total births 2022, girls and boys	17 139	19 236	47.1
Number of pensioners	283 350	185 440	60,4

Women have a higher life expectancy at birth – 78.3 years compared to 71.6 years of men.

Studies demonstrate that men more rarely realize their exposure to the risk of getting ill, infliction of traumas and emergence of different problems with health than women. In spite of the fact, that men's risk of developing drug addiction or alcoholism is much higher, men of all ages underestimate, to a large degree, the risks associated with smoking and use of alcohol and narcotic substances. Contemporary researchers consider one of the social factors of men's morbidity to be the traditional masculine ideology which ascribes to men and expects from them a certain standard of behavior: not to turn to doctors, not to accept one's weaknesses, to avoid self-revelation, etc²⁹.

According to the World Bank, percentage of the population living below the national poverty line was 24.8% percent³⁰, which means that almost every fourth person lived in a household below the upper poverty line. Poor are 25.6% of women headed households and 24.5 percent of Male headed households.³¹

Armenia exhibits gender parity in enrolment rates from primary to higher education, with the only significant deviation occurring when students enter vocational or professional education. Boys more often enter vocational education after having completed basic or general education. Females are more often in Bachelor's or master's level of education:

Table 25: Gross Enrolment Ratio in Vocational and Professional Education, 2023³²

Vocational and Professional Education	Female students, %	Male students, %
Preliminary (Vocational) Education	2.8	8.1

²⁶ ibid

²⁷ [Women and Men in Armenia](#), Statistical Booklet, NSS 2023,

²⁸ ibid

²⁹ [Men and Gender Equality in Armenia](#), Report, UNFPA 2016, P.187

³⁰ World Bank, [Armenia Overview](#),

³¹ https://armstat.am/file/article/poverty_2023_en_2.pdf

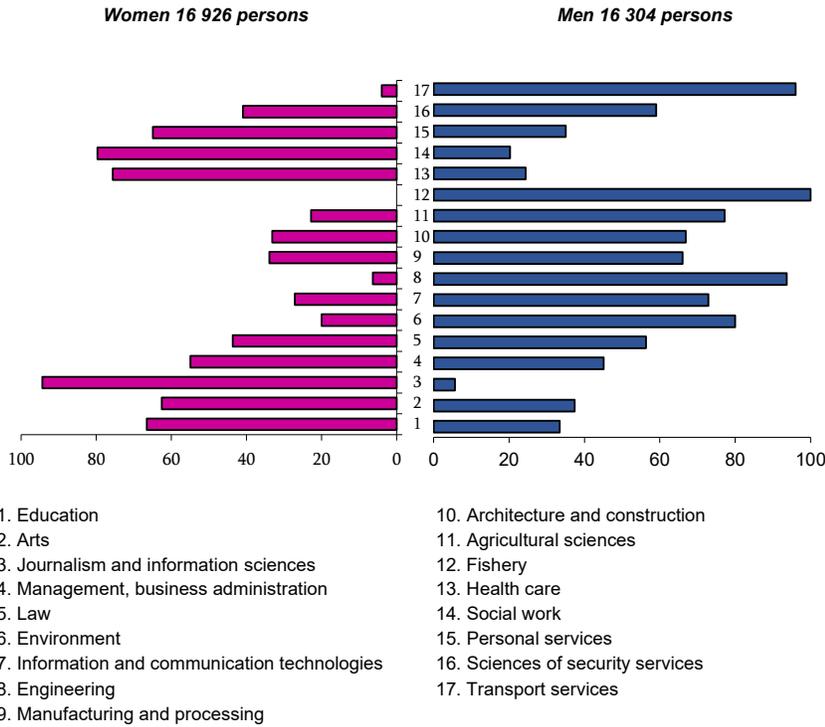
³² [Women and Men in Armenia](#), Statistical Booklet, NSS 2023,

Middle Vocational Education	16.7	14.1
First Stage of Higher Education (Bachelor's degree)	64.4	43.9
Second Stage of Higher Education (Master's degree)	16.6	8.5

The low level of girls' enrolment in primary vocational educational institutions can be explained, on the one hand, by a not very high rating of these institutions (usually children with poorer progress in studies get enrolled in primary vocational institutions) and, on the other hand, by lack of professions considered "feminine" in society. In addition, in the case of younger age girls, their parents prefer that they study at their community school rather than go to another community, even if it is for educational purposes. There are no such obstacles in the case of boys.

There are major differences between girls and boys in terms of choice of professions in middle vocational education where the number of girls is higher in the areas of journalism (92%), social work (77%) and health care (69%).

Table 26: Students in Middle Vocational Education Institutions by Specialization, 2022/2023 ³³



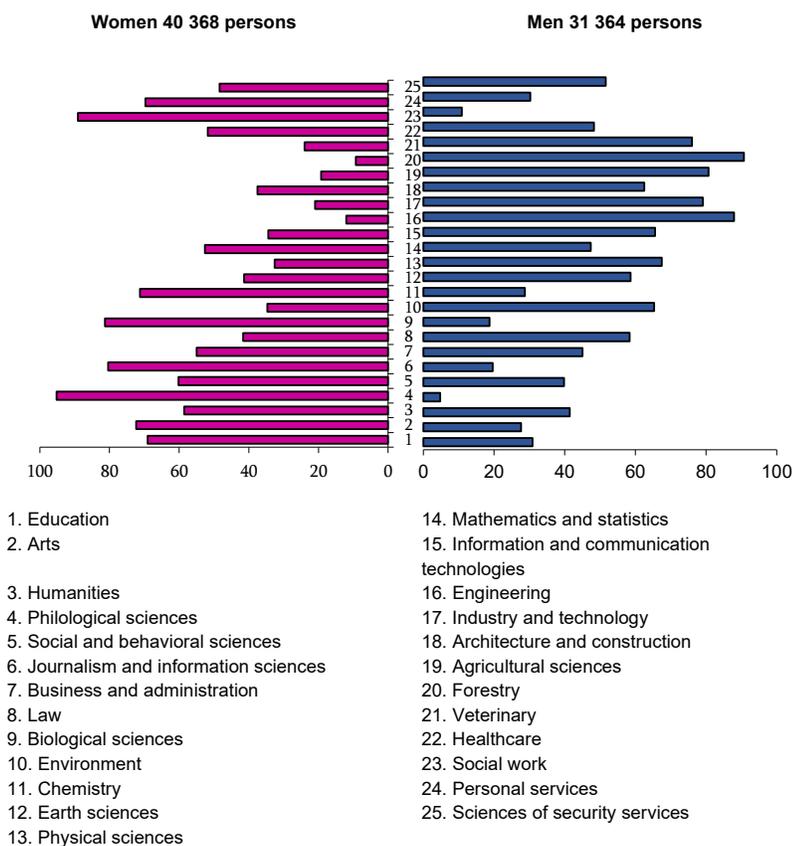
The situation is different at Higher/ University education level, where women make up to 57% of enrolled persons.

³³ ibid

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However, despite women's high level of educational attainment, this has not resulted in corresponding gains in the labor market. As with employment, there are clear gender patterns in subjects of study. Young women dominate the "traditionally female" areas of study (i.e., education, social sciences, services, and health) while young men are concentrated in technical fields (i.e., law, energy, transport, and construction). These technical fields generally correlate with jobs in higher-paying sectors, while the humanities lead to work in lower-paid public sector jobs.

Table 27: Students in Higher Educational Institutions by the Specialization, 2022/2023 ³⁴



Among the numerous young women who complete higher education, many do not become employed after graduation, either because their qualifications do not meet labor market demands or because they marry and are expected to take on a family focused role.³⁵

³⁴ ibid

³⁵ Asian Development Bank. Armenia country gender assessment. Mandaluyong City, Philippines: Asian Development Bank, 2015

Stereotypes remain influential in Armenia. For instance, overwhelming majority of the public surveys indicated that around 85% of respondents agreed with the statement that “a man should normally be the breadwinner” (only 14% thought this role should be shared equally and 1% that this was women’s role).³⁶

As to the indicators of a gender imbalance in the economic sphere (employment rates for men and women, men’s and women’s pay for equal work, the proportion of men and women among specialists and technical staff), Armenia ranks 71st.³⁷

The total share of women in labor resources is a little bit bigger than that of men. However, only 41% of women are employed, while among men the percentage is 62. At the same time women make up 62% of the *long-term unemployed* and 67,8% of the officially registered unemployed in the Republic of Armenia, whereas labor migration occupies a significant place in the employment structure of men³⁸.

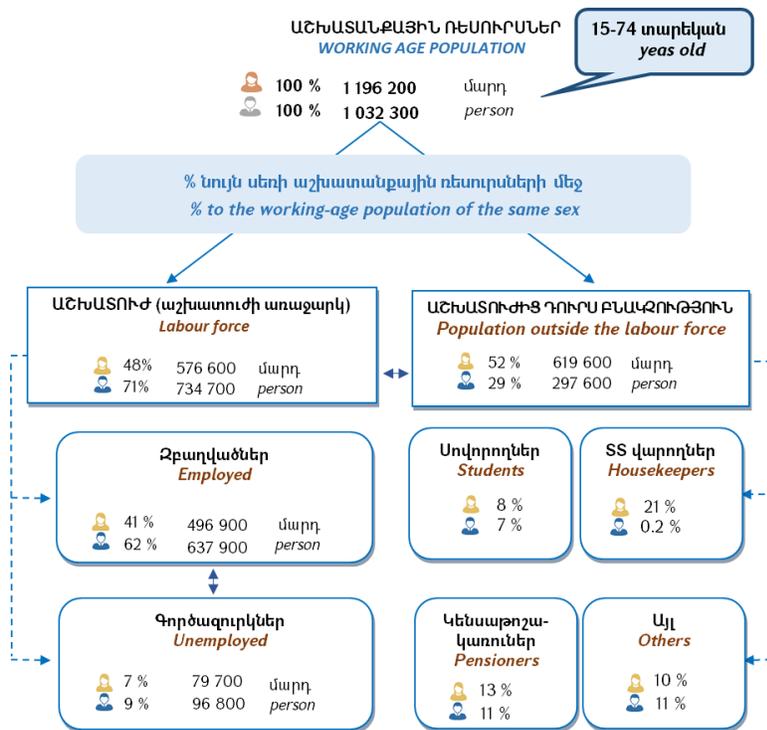
Table 28: Working age population, 2023³⁹

³⁶ [Altered Gender Roles in Armenian Families](#), AUA 2019, ; Caucasus Research Resource Centers–Armenia and UNDP. 2011. 2011 [Social Cohesion Survey](#).

³⁷ [Gender Gap Index](#)

³⁸ *ibid*

³⁹ [Women and Men in Armenia](#), Statistical Booklet, NSS 2023,



Married men are more than twice as likely as married women to be employed (89% versus 42%). Employed men are more likely to be paid in cash (87%) than employed women (65%). Similarly, employed women are more likely to be unpaid (9%) than employed men (1%)⁴⁰.

At the same time the situation on the Armenian labor market⁴¹ is characterized by the existence of *vertical* (unequal access to career hierarchies) and *horizontal* (in jobs and employment spheres) segregation of the labor market, which brings about a significant gender pay gap. In 2022 Gender pay gap indicated as 39.2%.⁴² GG is especially high in the 25 to 34 age groups (in average - 40%), mainly due to engagement of women in family responsibilities (pregnancy, childbirth, childcare, older people care etc.)⁴³. The gender pay gap is not always reduced due to women's high level of educational attainment because of obstacles to women's career growth. Thus, vertical segregation remains even in the spheres where women's employment traditionally predominates such as health care, education, culture, social welfare and agriculture.

⁴⁰ 2015-16 Armenia Demographic and Health Survey (ADHS), P.16 <http://armstat.am/file/article/adhs-himnakan-2015-english.pdf>

⁴¹ The problematic nature of the labor market in Armenia is revealed by the 2013 Human Capital Index. As to the Index, according to the [Human Capital Report 2013](#) of the World Economic Forum (WEF) Armenia ranks 73rd out of 122 countries. This is accounted for by an extremely low (113th) rank in the "workforce and employment" category.

⁴² [Women and Men in Armenia](#), Statistical Booklet, NSS 2023.

⁴³ In 2022, 52% of women aged 15-74, or 620,000 women, did not have a job and did not look for it, being mainly engaged in housekeeping. <https://armstat.am/file/article/gender-2023.pdf>

A gender analysis of the unemployment also reveals high rate of unemployment among youth - Almost 31.6% of female and 24.3% of male youth aged 15 to 24 are neither in education, nor in employment.⁴⁴ Here it is important to point out that the youth in Armenia is defined as the citizens aged 18-30 and according to the National Statistical Service the number of young people living in Armenia is 905.2 thousand people which accounts for 27.9 % of the population. The ratio between male and female is accordingly 49.4 and 50.6 per cent, and the ratio of urban and rural youth is 62 % to 38 %. The major challenges Armenian youth is facing now are the high level of poverty (20.4 per cent of poor and 3.1 per cent of extremely poor) and unemployment. The high rate of youth unemployment (55.9 %) is connected not only with the hard socio-economic situation of the country but also with the inconsistency between the education system's products and the requirements of the labor market.

Similarly, according to the official statistics, the proportion of older people (65+) in Armenia currently is at 11.8 %. While currently much lower than the levels seen in Western European countries, the proportion of older persons in Armenia is rapidly catching up, and this fast rate of increase makes the changes especially challenging. According to expert estimates, by 2050, almost one third (31.5 percent) of Armenia's population will be over 60. A high degree of vulnerability can be observed among older people living alone, especially women. A significant factor that has quickened the pace of change is the massive emigration of young people: around two thirds of Armenians live outside of the country and net migration out of the country is about 0.5 per cent of the total population each year. Combined with a total fertility rate of 1.74 children per woman — well below the level of about 2.1 required for long-term generational replacement — and a gain in life expectancy of almost six years since 1990, the phenomenon of demographic ageing in Armenia is now striking.

The state measures to support women to balance work and -family responsibilities, are minimal. As a result, there are 2.4 times more men in managerial positions as compared to women⁴⁵

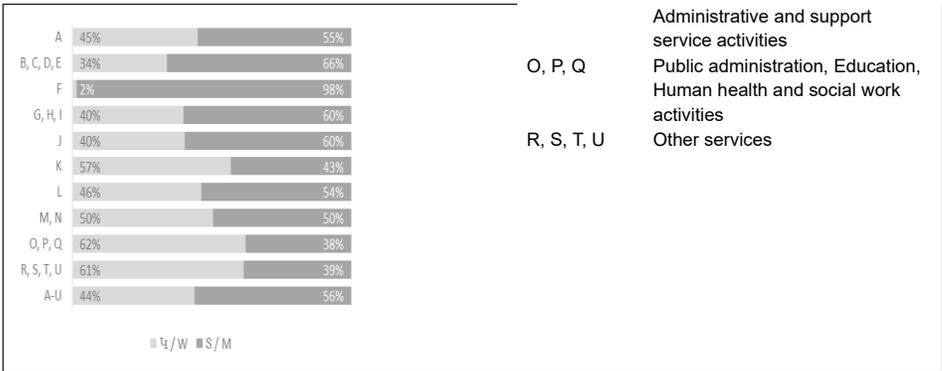
Table 29: Employed Population by Major Sectors of Economic Activity⁴⁶, 2022.

A	Agriculture
B, C, D, E	Industry
F	Construction
G, H, I	Trade and repair, Transport and storage, Accommodation and food service activities
J	Information and communication
K	Financial and insurance activities
L	Real estate activities
M, N	Professional, scientific and technical activities;

⁴⁴ ibid

⁴⁵ [Women and Men in Armenia](#), Statistical Booklet, NSS 2023,

⁴⁶ Based on the national version of Classification of Types of Economic Activity (NACE rev. 2).



Approximately 35 %⁴⁷ of all employed population are involved in the area of agriculture, of which 45% are women, however, in men’s employment structure the share of agriculture stands at 31% and in women’s employment structure it comprises 37%, which makes women a rather important actors in agriculture development. In addition, the number of women engaged in non-formal employment in agriculture is 82 percent.

In family farming, a strong gender-based segregation of tasks exists. Men tend to be more present in those tasks that are capital-intensive, involving higher amount of machinery and technology, and in those tasks that are better paid. Women from rural communities are strongly involved in livestock farming, particularly in dairy production (including milking, milk processing, and the marketing of milk and other dairy products). Poultry production in Armenia is also almost completely the responsibility of women, including feeding, watering, slaughtering and trade in small scale (of both poultry and eggs). Both women and men are deeply involved in the crop production sector, with clear-cut roles and responsibilities. Women are generally responsible for seeds - including buying, sowing and marketing, and are strongly engaged in harvesting of most crops where this is done by hand, as they do not usually drive tractors or operate other agricultural machinery. Regarding the two main cash crops cultivated in Armenia, apricots and grapes, women are mainly responsible for picking up the apricots and putting them in boxes and for processing apricots, producing dry fruits, juices and jams.⁴⁸ In its Concluding observations on the combined fifth and sixth periodic reports of Armenia, the UN CEDAW Committee expressed concern by the lack of social, health and economic infrastructure in rural environments, as well as by the concentration of rural women in the informal sector.

Traditionally men involvement in construction activities is at 98% level and women are more involved in *Public administration, Education, Human health and Social work* activities (62%) as well as other service provision (61%). Gender Gap: analysis of the discriminatory approaches towards women research, implemented by UNFPA in Armenia reveals that due to the limitations towards women employment and their discrimination in the labor market, Armenia suffers an annual GDP loss equal to 50-60 million dollars⁴⁹. In Armenia the violence against women (VAW) is recognized as a serious problem, based on the findings of the first Nationwide Survey on Domestic Violence against Women in Armenia (2008-2009)⁵⁰, UN CEDAW Committee’s

⁴⁷ [Labour market in the Republic of Armenia](#), 2011-2015 P.12

⁴⁸ Even though there is no official statistic, the fact was registered by different research conducted throughout Armenia, including Gender assessment report of the “Development of Agriculture in Syunik marz” project ACDI/VOCA, and Gender approaches of “Water to market” activity, MCA-Armenia, January 2011, as well as voiced by the participants of the focus groups conducted within the framework of the Assessment.

⁴⁹ [Gender Gap: analysis of the discriminatory approaches towards women](#) (Գենդերային ձեռքբաժնի Կանանց նկատմամբ խտրական դրսևորումների ակտուրոշիչ ուսումնասիրություն) // 2016 // UNFPA

⁵⁰ [Report on Nationwide Survey on Domestic Violence against Women in Armenia \(2008-2010\)](#). Yerevan: UNFPA and RoA NSS, 2011.

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Concluding Observations regarding the combined third and fourth periodic reports of Armenia⁵¹ as well as the Nationwide survey on Men and Gender equality (2016)⁵². According to the latest "Survey on Domestic Violence Against Women"⁵³ implemented by the National statistical service in 2021 women ever experienced physical, sexual and psychological violence by their partners comprised 35.9%.

The Government regards the advanced development of the entrepreneurship, in particular of small and medium size businesses, as an effective way for solving employment and social problems. According to the Republican Union of Employers of Armenia, women account for not more than 10 percent among entrepreneurs in small and medium sized and big businesses. In micro businesses, the number of women constitutes 20-25 percent⁵⁴.

The obstacles that women have to overcome before they go into business include lack of confidence and risk management skills, the lack of business contacts, entrenched and perpetuated stereotypes about women's role and their participation in economy and in business in particular. Objective reasons include limited access to funds, difficulties in obtaining loans, the absence of savings and property for collateral, burdensome interest rates, unfavorable business environment and informal payments to officials to facilitate business⁵⁵.

In its Concluding observations on the combined fifth and sixth periodic reports of Armenia, the UN CEDAW Committee recommended to reinforce measures to expand women's access to microfinance and microcredit at low interest rates, enabling women to engage in income-generating activities and to start their own businesses⁵⁶.

*The Foundation of Doing Business*⁵⁷ by World Bank Group has traditionally assumed that the entrepreneurs or workers discussed in the case studies were men. This was incomplete by not reflecting correctly the *Doing Business* processes as applied to women—which in some economies may be different from the processes applied to men. Starting this year, *Doing Business* measures the starting a business process for two case scenarios: one where all entrepreneurs are men and one where all entrepreneurs are women. Within the registering property indicators, a gender component has been added to the quality of land administration index. This component measures women's ability to use, own, and transfer property according to the law.

Armenian law provides equal property rights to women and men, but in practice women are in more unequal situation due to the following reasons/peculiarities: 1) Since independence the Government of Armenia privatized land in 1991 and 1992 by dividing it among households. Land ownership was awarded to the person who was identified as the "head of the household". Although in the context of Armenia, both women and men play equally important role as breadwinners, the majority of land was registered on the name of men as "household head by default". Women received land titles only in case of absence of a male head of the family. 2) Limited knowledge by women and whole communities about women's ownership rights over land contributed to the problem. This includes limited knowledge about rights and of the consequences of not having land registered also in their name; 3) another reason is "inheritance practices" widely accepted in Armenia. - parents usually grant the house, vehicle and other property to sons, and daughters are having nothing or less from their parents and almost nothing from the husbands' families; 4) women have limited access and control over financial resources that's why are less able to purchase land and other property than men; 5) Lack of control over their own earnings - only 34 in urban and 11 percent of women in rural

⁵¹ *Concluding Observations of the Committee on the Elimination of Discrimination against Women: Armenia*. Geneva, 2009. UN Document CEDAW/C/ARM/CO/4/Rev.1

⁵² [Report on Nationwide survey on Men and Gender equality in Armenia](#), UNFPA, Yerevan 2016,

⁵³ ARMSTAT 2021 <https://www.armstat.am/en/?nid=81&id=24>

⁵⁴ [Gender policy in Armenia and the right of women entrepreneurship](#)

⁵⁵ [Gender Assessment USAID/Armenia](#).

⁵⁶ [Concluding observations](#) to the 5th and 6th [Armenia's State Periodic Reports](#) Armenia CEDAW/C/ARM/CO/5-6, Distr.: General, 25 November 2016,

⁵⁷ The Foundation of Doing Business by World Bank Group measures aspects of business regulation affecting domestic small and medium-size firms defined based on standardized case scenarios and located in the largest business city of each economy. [Doing Business covers 11 areas of business regulation across 190 economies](#). WBG, 2017

areas decide about their earnings.⁵⁸

Households headed by men are more likely to keep livestock, and to have a larger number of animals across all categories, than female-headed households. When female headed households have livestock, they tend to have cattle and poultry, possibly because dairy farming is traditionally “female” work or because selling extra milk and eggs is a relatively simple way to supplement the household income. Men have greater involvement in grazing, feed production and purchasing and sales of livestock.⁵⁹

Limited access to productive resources is a serious constraint to rural women’s agricultural activity. For instance, rural women have little or no direct access to farm equipment such as tractors, combines and harvesters. Traditionally, these are operated only by men. Even female heads of household do not personally use these resources; they hire in assistance or ask male relatives to help.⁶⁰

Markets’ accessibility depends greatly on the mobility of the producer or the accessibility of the community. Cars and machinery are rarely owned by women. In rural areas, in more than 95 percent of car and machinery owners are men, as are 100% of agricultural machinery operators in the marzes. Female car owners and female drivers are increasingly prevalent in urban areas, especially in Yerevan, but continue to be rare in rural areas.⁶¹

Lack of access to transportation impedes women’s income earning opportunities, through sale of their agriculture and other production. Dairy products are mostly sold at place rather than in other rural or urban markets. In the absence of dairy products collection systems, there is a need to take the products directly to the urban market. As a result, women, and mostly lonely women and even women heads of households have no opportunity to do that due to stereotypical practices and lack of transportation.⁶²

In most of the households the husband is the main decision-maker. However, the Decision-making at household level can vary - there are also households where decisions are taken jointly by the husband and wife.

Only twenty-eight percent of women are the main decision makers about their own *health care*, 14% decide mainly themselves about major *household purchases*, and decisions about *visits to the woman’s family or relatives* are also mostly made jointly (80 percent), with 13 percent of women making this decision by themselves - in all other cases the decision are taken jointly.⁶³

According to the Global Gender Gap Report 2024, with respect to the political empowerment indicator (which is based on gender representation in decision-making structures) Armenia is ranked 70th- which means that it betters its position even compared with 2023⁶⁴. Women’s representation in the National Assembly and other elected bodies is slowly advancing in Armenia. In 1999, women held only 3 per cent of seats in the Parliament and only 10.7 per cent in 2012. As a result of the parliamentary elections, the representation of women in the National Assembly of Armenia increased up to 36 per cent⁶⁵ of all members of the National Assembly improving the country’s rank on the list of the Inter-Parliamentary Union (IPU). This result may be considered as a step forward due to the quota which requires at least 30 percent representation of each sex stipulated in the Electoral Code. The quota provision/ requirement was also

⁵⁸ [Prevalence of and Reasons for Sex Selective Abortions in Armenia](http://unfpa.am/sites/default/files/Sex-selective-abortion-report-Eng.pdf), UNFPA 2012, <http://unfpa.am/sites/default/files/Sex-selective-abortion-report-Eng.pdf>; [Sex Imbalances at Birth in Armenia: Demographic Evidence and Analysis Report](http://unfpa.am/sites/default/files/Sex-Imbalances-at-Birth-in-Armenia-Demographic-Evidence-and-Analysis-Report.pdf), UNFPA 2013, Missing Girls in the South Caucasus, World Bank, CRR 2014.

⁵⁹ ACDI/VOCA “Development of Agriculture in Syunik marz” project documents, 2011

⁶⁰ [From the gender analysis of the project on “Water-to-Market Activity \(2006-2011\)”](http://www.mca.gov/~/media/2006-2011/2006-2011%20Project%20Documents/From%20the%20gender%20analysis%20of%20the%20project%20on%20Water-to-Market%20Activity%20(2006-2011).pdf) carried out in 2007 within the framework of the Millennium Challenge Account:

⁶¹ *ibid*

⁶² “Gender and Transport” Background materials of the 2011 International Transport Forum, Leipzig, Germany, 2011

⁶³ Armenia Demographic and Health Survey 2015-16, Report, National Statistical Service Armenia, Yerevan 2016, *Table 15.8*

⁶⁴ https://www3.weforum.org/docs/WEF_GGGR_2024.pdf

⁶⁵ <http://www.parliament.am/deputies.php?lang=eng> : 38 female MPs out of 107 members of Parliament

added for the local self-governance elections and worked quite effectively. Although the number of women MPs has increased as compared with the previous convocations, nevertheless, women are not represented in leadership (chairmen or deputy) and only 2 women are holding the positions of heads of standing committees⁶⁶.

During the entire period of the democratic transition (1991-2024), women did not run for the position of the Armenian President or *held* a position of a Prime Minister or Speaker of the National Assembly. In April 2018 as a result of a series of anti-government protests in Armenia, a new Prime Minister was appointed. Armenia's new government is a technical cabinet to administer the country until new parliamentary elections. Almost all the officials of the former government were changed, and it provided opportunity to women to be appointed decision-making making positions. Nevertheless, there are only 2 women out of 12 in the political position (Ministers)⁶⁷ and 12 women (26%) in discretionary positions of a deputy minister in the executive branch of the Government. There are no women among the governors (marzpets)⁶⁸, with only four out of 71 enlarged communities are headed by women (4%).

Table 30: Women in leadership and decision-making positions, 2023

Position	# women	# men	% women
Number of Deputies in the National Assembly of RA ⁶⁹	38	69	36
Ministers ⁷⁰	2	10	16
Deputy Ministers ⁷¹	12	80	13
Judicial bodies at national level - Judges ⁷²	93	203	31
Judicial bodies at national level – Lawyers (advocates) ⁷³	1 125	1 413	44
Members of the Constitutional Court ⁷⁴	1	8	11
Council members of the Central Bank ⁷⁵	1	4	20
Ambassadors ⁷⁶	6	36	14

Table 31: Women in regional (provincial) administrations, 2023⁷⁷

Position	# Women	#Men	Women %
Marzpet (Head of province)	0	10	-
Head of community	4	67	6
of which Capital city - Yerevan	0	1	-
Council members of community	405	986	29

⁶⁶National Assembly of the Republic of Armenia / Council, <http://www.parliament.am/Council.php?do=members&lang=eng>

⁶⁷ As to the Armenian legislation, the hierarchy in the public administration system includes 3 categories: political, discretionary positions and civil servants, www.gov.am

⁶⁸ Head of regional authority in Armenia

⁶⁹<http://www.parliament.am/deputies.php?lang=eng>

⁷⁰<http://gov.am/am/structure/>

⁷¹<http://gov.am/am/structure/>

⁷²Women and Men in Armenia, Statistical Booklet , NSS, Yerevan 2023 <https://armstat.am/file/article/gender-2023.pdf>

⁷³ibid

⁷⁴ibid

⁷⁵ibid

⁷⁶ibid

⁷⁷ ibid

of which Capital city - Yerevan	19	46	29
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Number of women elected as members of community councils decreased based on the decision to enlarge the communities (currently it is 72 enlarge communities uniting 916 geographical locations), however showing positive tendency of increase due to quota introduces for local electoral processes as well. However, women's participation in decision making can vary in accordance with age, residence, and education. Decision making in the community level depends also on the following aspects:

1) *Cultural norms and stereotypes* which affect women's participation in the decision making: Women are not generally prominent in local community-level decision making and are very rarely elected as members of community councils. The Gender assessment conducted by USAID in 2010 pointed out that while "there is evidence that societal views of the "appropriate" roles for men and women are quite rigid and influenced by patriarchal traditions"⁷⁸, there is significant variation within Armenia, and some marzes appear to be more socially conservative than others in relation to gender roles and women's status. Nevertheless, the perception of men as the main decision-makers and leaders in society is prevalent and influences women's access to political positions and participation in public life overall. The influence of traditional roles affects women's own confidence and perception of what is appropriate.

2) *Knowledge*: on management is depending on the level of education and/or experiences, accessibility to consultancies; on average, women enjoy less education than men in some areas and consultancies focus in general on men. There is no Government policy in place to promote women education in management and entrepreneurship. Small efforts have been made to offer training, retraining or vocational education to women to equip them with adequate skills and competence and to match those with the existing challenges and opportunities. The Government policies to promote small and medium businesses have yet to become gender sensitive.

3) *Access to financial resources*, and financial independence. Given the more limited range of employment and income opportunities for women, particularly in rural areas, and continuing gender inequality in income and salary levels. Women face more difficulties in receiving a loan and in having access to the family budget. Sometimes women have no own funds even to register her candidacy for the local elections, which means that they should check their availability with other members of the family.

According to the National statistical service of Armenia in 2023 the executive staff picture was as follows:

Table 32: Female staff in regional and local administrations

Position	Women%	Men%
Deputy Marzpet	22	78
Regional administration Marzpetaran staff	49	51
Deputy head of community	6	94
Community staff	49	51
Deputy of Yerevan city mayor	0	100
Yerevan city municipality staff	53	47

Thus, the governance pyramid, which is primarily male-oriented and which does not reflect the existing gender balance in the society, inequality of women's and men's rights and opportunities in political, economic and social spheres and the maintained and even constructed by some media outlets⁷⁹ the division of gender roles hinders the development processes is an obstacle to the country's full-fledged integration into international agenda.

⁷⁸ Gender Assessment, USAID/Armenia, Yerevan 2010

⁷⁹ *Woman's image as represented in Armenian media*. Analytical report on monitoring. ProMedia-Gender NGO with support from UNFPA, 2011.

III. Legal and Administrative Framework on Gender Equality in Armenia

Since independence, the Government of the Republic of Armenia has been steadily incorporating the international *acquis* on gender equality and establishing a number of laws and policies to address gender inequalities. In 1998, the Armenian Government issued Decree No. 242 “On the Basics of the Programme for the Improvement of the Status of Women in the Republic of Armenia” and Decree No. 406 “On Approving the National Plan for the Improvement of Women’s Status and Enhancement of Their Role in the Society for the Period 1998-2000 in the Republic of Armenia.” In April 2004, the Armenian Government adopted the first National Action Plan on Improving the Status of Women, and, since then, increased efforts have been carried out to contribute to the reduction of gender inequalities in the country.

The main document that reflects current Armenia’s commitment to gender equality policy is the *RoA Gender Policy Concept Paper* approved by the Armenian Government in February 2010⁸⁰. The mission of the *Gender Policy Concept Paper* is to facilitate *gender mainstreaming* in all spheres of socio-political and socio-economic life and in policies at all levels of government as a *tool* for ensuring sustainable democratic development of the society and for consolidating democratic, open and just civil society and the rule-of-law State.

Of great significance for gender policy implementation and for addressing the issues of imbalanced rights and opportunities was the *Law of the Republic of Armenia on provision of equal rights and equal opportunities for women and men*⁸¹ that was adopted in 2013. It regulates the issue of ensuring equal rights and equal opportunities to women and men in the fields of politics, public administration, labour and employment, entrepreneurship, health care and education.

The Law is a document that has incorporated to the maximum extent the requirements of the Convention on the Elimination of all Forms of Discrimination against Women⁸² and the CEDAW Committee’s recommendations⁸³.

In particular, the Law:

- introduces the concept of “gender-based discrimination” into the legislation,
- prohibits discrimination on the grounds of sex,
- introduces the concepts of direct and indirect discrimination into the legislation,
- provides the opportunity and the procedure for protecting citizens from discrimination on the grounds of sex,
- introduces legal responsibility of officials and employers for discrimination,
- contributes to the development of culture of gender equality and to the elimination of gender stereotypes that underlie discriminatory practices,
- outlines the spheres, framework and timeline for the use of temporary special measures aimed to redress a gender imbalance,
- codifies the necessity to establish national machinery for gender equality, and
- makes provisions for the monitoring and reporting mechanism concerning the implementation of gender policies.

In line with the recommendations established by the Committee on the Elimination of Discrimination against Women

⁸⁰ *RoA Gender Policy Concept Paper*, 2010 (in Armenian) http://www.gov.am/u_files/file/kananc-xorh/Gender-hayecakarg.pdf

⁸¹ Armenian version <http://www.parliament.am/legislation.php?sel=show&ID=4761>

⁸² <http://www.un.org/womenwatch/daw/cedaw/cedaw.htm>

⁸³ *Concluding observations of the UN Committee on the Elimination of Discrimination against Women/ Forty-third session / 19 January-6 February 2009/*, CEDAW/C/ARM/CO/4/Rev.1 /

in 2010⁸⁴, amendments to the Constitution made in December 2015 included important articles and provisions such as: *General Equality before the Law* (Article 28), *Prohibition of Discrimination* (Article 29) and *Equality of Rights for Women and Men* (Article 30)⁸⁵.

In the context of the Platform and the establishment of the new Sustainable Development Goals, the government of Armenia made a commitment at the Global Leader's Meeting on Gender Equality and Women's Empowerment in September 2015 to ensure the effective implementation of the Law of the Republic of Armenia on "Equal Rights and equal opportunities of women and men", and to sign the Council of Europe Convention on Preventing and Combating Violence against Women and Domestic Violence.

All these documents are important because they not only provide a framework for promoting gender equality and women's empowerment but also advocate gender mainstreaming and demonstrate how the gender component can be integrated into the national policies and programs.

During this period amended were also other laws and Codes that aim to protect exclusively women's rights as well as to secure gender equality^{86 87}. It is unfortunate that insignificant and occasional amendments have not yet brought about a dramatic change in the situation. The real practices do not match the broad rights of women that are codified in legal norms. The mismatch between the rights and opportunities is a main obstacle to ensuring equality. Thus, the existence of functional and efficient gender equality mechanisms and National machinery in the public administration system is crucially important for the formulation and implementation of the national gender equality policies grounded in the principles outlined in international and national documents.

According to the CEDAW Committee General Recommendation No. 6, the machineries should be endowed with professional capacity and authority to be able to advice on the impact on women of all government policies, to monitor the situation of women comprehensively and to help formulate new policies and effectively carry out strategies and measures to eliminate discrimination⁸⁸.

Therefore, there is a growing realization that the national machinery is absolutely indispensable and, hence, that it has to be established to perform its main function to effectively mainstream a gender perspective into legislation, state policies, national programs and projects.

The *Gender mechanism* in the Republic of Armenia is made of a variety of institutions with a specific roles and responsibilities in the: identification of gender issues, analysis of the needs for women and men, drafting of the policies that address the inequalities, implementation of the gender policies, monitoring and evaluation of those

⁸⁴ <http://www.refworld.org/publisher/CEDAW,,ARM.52dd05054.0.html>

⁸⁵ Amendments to the Constitution of the Republic of Armenia, December 2015, [Armenian version](#)

⁸⁶ In order to fulfil the implementation of the 29th article of the Constitution of Armenia "Prohibition of Discrimination", the Ministry of Justice in 2019 drafted a Law "On ensuring legal equality", which refers to "Direct and indirect discrimination, incitement to discrimination, harassment, segregation, victimization, associated discrimination and temporary special measures" This is actually the law prohibiting discrimination against different groups, such as Persons with Disabilities, Older people, LGBTI, etc and this law is found in its draft version yet. This is distinguished from the below mentioned actual Law on "Ensuring Equal rights and Equal opportunities for women and men", as adopted in 2013, which is the law on Gender equality.

⁸⁷ Earlier significant steps towards combating domestic violence were made in 2017 by the adoption of the Law on prevention of violence within the family, protection of victims of violence within the family and restoration of peace in the family⁸⁷ that ensures preventive and protective mechanisms for the victims of domestic violence, while it also guarantees the social assistance. It should be noted that the mechanisms needed for the proper implementation of that law were adopted at some later time, through issuing relevant orders⁸⁷. However, the adoption of such law was unprecedented for Armenia and has its influence both as a prevention measure, the first ever national legal document prohibiting violence in the family, as well as protection measures prescribing the organization of proper services to the victims of violence.

⁸⁸ General recommendations made by the *Committee on the Elimination of Discrimination against Women*. General Recommendation No. 6 "[Effective National Machinery and Publicity](#)" (seventh session, 1988).

policies and interventions, decisions making on behalf of women and men in need so *that no one is left behind*. Among the institutional mechanisms for gender equality in Armenia the following structures could be mentioned: Council on Women's Issues, Ministry of Labour and Social Issues, Departments for Children's, Family and Women's Issues at the Regional Governance Offices, Gender Policy Implementation Commissions, Council on Preventing and Combating Violence against Women and Domestic Violence in Armenia and others. In fact, all the mentioned structures are by default institutional mechanisms for implementation of gender policies and for attaining gender equality and should be supported with the National machinery on Gender equality as indicated in the number of international treaties and documents committed by the Republic of Armenia.

IV. Gender Issues in the target areas of the projects

Armenia is a country with an ambitious climate change mitigation agenda, which makes significant efforts towards low carbon development through increasing the share of renewable energy, promoting energy efficiency, preserving and enhancing forest-covered areas, and reporting regularly to the UNFCCC⁸⁹. Climate change is leading to an increase in the frequency of extreme weather events, thereby increasing desertification and land degradation. Therefore, the most vulnerable sectors are those dealing with water resources, agriculture, forestry, health care, transport, and energy.

The Prospective Development Strategy for 2014-2025 mentions climate change as an important issue to be addressed to improve the economic growth, with a strong focus on mitigation measures and reduction of emissions. Currently there is a number of climate relevant/ environmental laws and policies, such as: Water Code (2002), Law on Energy Saving and Renewable Energy (2004), National Forest Policy, (2004), Strategy of the Main Directions Ensuring Economic Development in Agricultural Sector 2020-2030, (2019), Strategic Programme for the Development of the Energy Sector of the Republic of Armenia (until 2040)). Unfortunately, these existing laws and policies do not have a specific focus on climate change. The National Strategy on Disaster Risk Management (2017) integrates climate change actions and is in line with Sustainable Development Goals (SDGs)⁹⁰. The National Action Programme of Adaptation to Climate Change and the list of Measures for 2021-2025 were approved by the Government in 2021, and Water Sector Adaptation Plan and its Program of Measures for 2022-2026 adopted in 2022. Unfortunately, these existing laws and policies do not have a specific focus on gender equality or just transition issues. Gender issues are taken into account only in the Program on Energy Saving and Renewable Energy for 2022-2030 and its Action Plan for 2022-2024 and National strategy on gender equality for 2024-2026 (pending adoption) has a section on climate change and gender.

In line with the revised European Neighborhood Policy (ENP) the EU-Armenia Comprehensive and Enhanced Partnership Agreement (CEPA) was signed in 2017 and in 2021, entered fully into force through ratification by the Republic of Armenia, all EU Member States and the European Parliament. This was an important, positive milestone for EU-Armenia relations and inter alia envisioned reforms in the rule of law and respect of human rights as well as those aimed at enhancing the responsiveness and effectiveness of public institutions and at promoting conditions for sustainable and inclusive development.

In terms of financial assistance envisioned by the 2021-2027 multi-annual indicative programme (MIP) for EU support to Armenia the focus on enhancing Armenia's environmental and climate resilience, which includes sustainable use of resources, promotion of green growth, decarbonization and scaling up renewable energy generation, improving energy efficiency and security is recognized as one of the priority areas (priority 3). Among other priorities "enabling a more resilient, fair and inclusive society through increased democracy, migration management, promotion of social inclusion and enhanced public healthcare systems" (priority 5) is mentioned.

⁸⁹ <https://eu4climate.eu/armenia/>

⁹⁰ <https://sdgs.un.org>

The designated authority for climate change in Armenia is the Ministry of Environment and the Inter-Agency Coordination Council for the Implementation of the Requirements and Provisions of the UNFCCC established in 2012 and revised in 2021. The count of high-level and mid-level decision-makers responsible for addressing climate policy matters within the Ministry of Environment showed 86% of women involved in staff and 73% of Women involved into the Interagency Coordination Council.⁹¹

According to the International Labour Organization (ILO), gender equality is one of the main dimensions in green agenda as ensures *“fair and inclusive environment to everyone concerned, creating decent work opportunities and leaving no one behind”*.⁹² Thus in terms of policy development the following principles should guide the transition to environmentally sustainable economies and societies: (i) Policies must respect, promote and realize fundamental principles and rights at work. (ii) Policies and programs need to take into account the strong gender dimension of many environmental challenges and opportunities. Specific gender policies should be considered in order to promote equitable outcomes. (iii) Coherent policies across the economic, environmental, social, education/training and labour portfolios need to provide an enabling environment for enterprises, workers, investors and consumers to embrace and drive the transition towards environmentally sustainable and inclusive economies and societies.⁹³

The main document to regulate the area is the Constitution of the republic of Armenia, and particularly its Chapter 3 on Legislative guarantees and main objectives of state policy in social, economic and cultural spheres, that define national policy and approaches in setting up *Working Conditions, Social Security, Decent Living and Minimum Salary, and Health Care*.

The recent amendments to the Labour Code of the Republic of Armenia were initiated based on the Armenia’s international obligations in the field and relate to gender equality issues, maternity issues and paternity leaves, labor rights of persons with disabilities as well as professional and vocational education and internship opportunities. However, the majority of the state documents and procedures on social security and health care are at best gender neutral and not even sensitive or responsive.

Access to resources and services

Armenia proclaiming itself the part of the Green Deal also tries to set out a roadmap for a new type of policies that will focus on the sectors most affected by the transition. Thus, the Armenia government should ensure the instruments of fair compensation for health, environment, jobs and economic assets, including access to resources. Some research⁹⁴ shows that disadvantaged groups of population, including women and young girls bear a disproportionate amount of the environmental and economic costs of the extractive economy while receiving very few of the associated benefits. Among difficulties faced by these groups of population are lack of resources available to deal with the financial, social, and environmental impacts of climate change.

Women’s equal access to and control over economic and financial resources is crucial for the achievement of gender equality and empowerment of women, and more importantly for equitable and sustainable economic growth and development of the country. Gender equality in the distribution of economic and financial resources has positive multiplier effects for a range of key development goals, including poverty reduction and the welfare of children. Long-standing inequalities in the gender distribution of economic and financial resources, all over the world, have placed women at a disadvantage relative to men in their capability to participate in, contribute to and benefit from broader processes of development. The Economic resources used in the production of goods and services are mainly

⁹¹ [Women and Men in Armenia](#), Statistical Booklet, NSS 2023,

⁹² <https://www.eurofound.europa.eu/en/european-industrial-relations-dictionary/just-transition>

⁹³ [Guidelines for a just transition towards environmentally sustainable economies and societies for all](#), ILO, 2015;

⁹⁴ Seth B. Shonkoff et al., [The climate gap: environmental health and equity implications of climate change and mitigation policies in California](#) - a review of the literature. Climatic Change (2011) 109 (Suppl 1):S485–S503, ;

categorized as Land and other natural resources, Labor and financial resources, as well as entrepreneurship. Due to the gender inequality and discrimination, women have less access and control over resources.

One of the most important resources in rural Armenia is land and real estate. Although there is some official statistics providing info on the Agricultural holdings by sex of the owner, where women in average comprise 1/3 it is true on land sized less than 0.1 ha only:

Table 33: Agricultural Holdings by sex⁹⁵

Total holdings	Of which by land, ha												
	< 0.1ha	0.1-0.19	0.2-0.49	0.5-0.99	1-1.99	2-2.99	3-4.99	5-9.99	10-19.99	20-49.99	50-99	100-199	200> ha
Agricultural holdings by sex of head of HH													
Women	19688	6121	10421	13670	14498	6139	4273	2060	412	78	13	2	0
Men	50242	15569	26348	41277	46791	20848	14829	8254	1916	538	82	27	10

Armenian law gives equal property rights to both women and men, but in practice women rarely exercise these rights due to the following reasons: 1) registration practices⁹⁶; 2)Inheritance practices giving preference to sons; 3)Access to resources: Women are less able to purchase property than men, due to their limited access to, and control over financial resources either through income or credit.4) Limited knowledge by women and whole communities about women's ownership rights, including over land. This includes limited knowledge about rights and of the consequences of not having land registered also in their name.⁹⁷

The sum of renewable groundwater and renewable surface water resources in Armenia are as follows:

Table 34: Renewable water resources in Armenia

Renewable Water Resources	8 billion m ³ /year
Water Resources per Capita	2,652 m ³ /person/year
Water Dependency	12%

In 2024, the water abstraction in Armenia comprised 2 829.8 mln. cub. M (excluding Hydro plant stations PSs), water use – 2 176.3 mln. m3 (83.6% – agriculture, fish breeding and forestry, 8.8% – industrial, communal and construction, 7.6% – drinking):

According to the RA Constitution the water resources are under exclusive ownership of the state (Article 10), thus the data could not be disaggregated by the sex of owners, but the citizens and legal entities of Armenia are the members of water-users associations. Unfortunately, there is no sex-disaggregated data available on membership and

⁹⁵ [Agricultural census 2014](#)

⁹⁶ After the collapse of the Soviet Union the Land ownership was awarded to the person who was identified as the "head of the household", although this could legally be a woman or a man, the majority of land was registered in the name of men as "representatives" of the whole household

⁹⁷ FAO.2017.56 pp <https://www.fao.org/3/i6737e/i6737e.pdf>

engagement in Water User Associations of Armenia. The water user right is given by default with the land property, thus registered mainly on men's name. Meanwhile, despite the substantial investments in the water sector that have led to improvements in both the reliability and quality of the water supply available to the population, about 560 communities in rural areas are not connected to the grid, and 40 000 rural inhabitants do not have access to a piped water supply. Overall, the access to clean water is around 96.3%, which is measured through a Proportion of households with centralized water supply.⁹⁸

In the picture of financial resources one of the most important parts is on unpaid work done by women: ARMSTAT data demonstrates that many of these women may be registered under the category "Other" within the self-employed population. They can also be registered as a member of the "inactive population" under the category of "housekeepers", who account for almost 21 percent of all women of working age in Armenia. There are 41 times more women in this category than men (ARMSTAT, 2023).

Moreover, the women are overrepresented in unpaid work in agriculture, especially in family farming. Based on the current survey data women have at least 50% of involvement in different value chains (VC) and even more than 80% in case the VC recognized as women area of work.

Table 35: Men Involvement in Agricultural Value Chain

N	Value chain	Men Involvement, %									
		10	20	30	40	50	60	70	80	90	100
1	Production					x	x	x	x	x	
2	Harvest					x	x	x			
3	Processing			x	x						
4	Packaging		x	x							
5	Sale/distribution							x	x		

Table 36: Women Involvement in Agricultural Value Chain

N	Value chain	Women Involvement, %									
		1	2	3	4	5	6	7	8	9	100
		0	0	0	0	0	0	0	0	0	
1	Production				x	x	x				
2	Harvest					x	x				
3	Processing					x	x	x	x		
4	Packaging						x	x	x		
5	Sale/distribution					x	x				

Rural women working informally on family farms do not get any compensation defined by the Labor Code, such as maternity leave⁹⁹, sick leave and childcare allowances, as they are considered either self-employed or inactive. In rural communities, two thirds of employed women do not get cash earnings when they are self-employed¹⁰⁰.

The "time poverty" phenomena are recognized by a number of studies in Armenia and in other countries: "Women

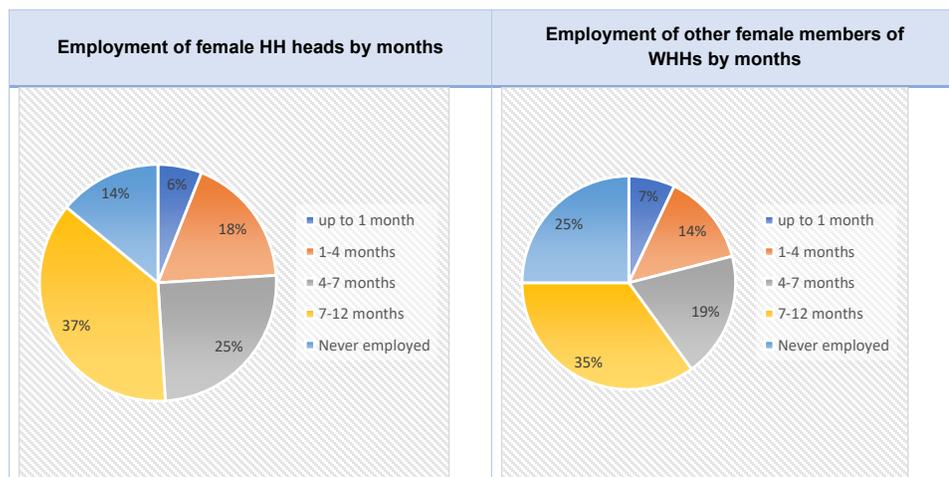
⁹⁸ <https://sdg.armstat.am/6-1-1-a/>

⁹⁹ Although since 2016 rural women, formally employed or not, are entitled to some payment (fix amount) for maternity leave, they receive money but do not use the right for a leave/rest.

¹⁰⁰ Gender Barometer Survey, Yerevan State University, 2019

experience time poverty due to their responsibility for unpaid domestic tasks. Women's time poverty is accentuated when they enter the labour force, and their domestic workload does not diminish¹⁰¹. In rural areas, men are more likely to assume tasks using machinery and technology, leaving more time-consuming manual work to women. Moreover, in rural communities less than 1/3 of children are enrolled in kindergartens or preschool, and primary school hours tend to finish early in the afternoon; there is no system of home-based care for older people, etc. Thus, more support is needed to assist women with child and older people care options and in dealing with work-family balance. Another interesting information concerns the overall percentage of women heads and members of households in agriculture¹⁰², which highlights the presence of serious discrimination against women in the agricultural labor market, starting from 1 month of work (6%) up to 7-12 months (37%) among female heads of households and 7% for short term and 35% for long term for other female family members. According to the data of a comprehensive agricultural registry, women head 25% of rural households. Women-headed households are more vulnerable and at risk of poverty due to the absence of the agricultural machinery, difficult access to land plots, and problems related to irrigation and financial means.

Table 37: Employment of female members of WHHs by months



Women are less able to purchase property or any equipment than men, due to their limited access to, and control over financial resources either through income or credits. In Armenia women make up only a third or even a quarter of the applicants for loans/credits due to the aforementioned stereotypical attitudes as well as their limited solvency.

Rural women usually benefit from micro-credit or loan programs provided by foreign and international programs/organizations, which make these funds available on the basis of a specific level of women's involvement ("quotas").

One of the most important preconditions for the genuine equality is *access to services*. Overall, in Armenia the access to healthcare is ranked as 5.1, which is the number of medical doctors versus 1,000 population, which is measured

¹⁰¹ ADB, ARMENIA. COUNTRY GENDER ASSESSMENT, 2019

¹⁰² Agricultural Census of RA (2014)

through Health / medical doctor density and distribution¹⁰³, whereas access to education is around 91.5% (Gross Enrolment Ratio in general education)¹⁰⁴. However, the preschool education, including kindergartens as well as day-care centres for children and older people and of those with disabilities (which are the main parts of care work done by women) is not yet available in all regions and geographic locations.

V. Recommendations

Climate change impacts men and women differently due to differences in their gender roles, societal norms and values. Women, who make up most of the poor, generally have lower incomes, less access to credit and decision-making authority, and limited control over resources, which increase their vulnerability in case of emergency and climate impacts. It is crucial to see and understand gender picture of the society to mainstream development programs and projects as climate change efforts can be more effective when gender and social peculiarities are considered. Climate change interventions can also provide opportunities to empower women – recognizing women's role in some agricultural value chains as well as their capacities of women community activists. Incorporating gender considerations into climate change and disaster risk reduction approaches can *inter alia* improve women's, and their families', resilience to climate change. Thus, the following approaches and actions are recommended:

- The analysis of the existing gender inequalities, men labour migration, as well as demographic situation in the targeted areas showed that it is highly recommended to involve women, into the process of the project implementation. Women's participation in the project will be twofold: 1) Women will be considered as agents and main advocates for behavior and attitude change in the families, as well as on community and at the national level. This function *inter alia* could be paralleled with monitoring activities implemented by them; and 2) Women will be involved in the project as active participants: staff and/or providers of the planting material through tree nurseries and farming cooperatives organized and administered by them. Both functions shall be based on their participation in educational and awareness raising activities.
- Women shall be also involved as project beneficiaries - participating in capacity building activities and receiving vocational education. The project shall set a minimum target at 30 percent of all beneficiaries of the project to be women, as this is the UN recommended quota to ensure critical mass of women's representation. However, this represents just a target, and not a goal. The goal should be 50 percent or even more depending on demographic representation in the project area. Also, actual participation can be higher, and the project team will apply all possible efforts to achieve that.
- While the risks of escalating the level of VAW due to the project implementation are assessed as low, to avoid any negative implications, caused by the involvement of women in the project activities, the project should dedicate specific attention to a profound awareness raising work with communities and families, especially men. Media resources will be also used for this purpose and profound awareness raising on VAW will be integrated into the overall community level work.
- Considering the demographic structure of targeted areas and the vulnerability faced particularly by older and young female Armenians, the project shall pay special attention to the involvement of lonely elderly, especially women as beneficiaries. In this context, the project implementation shall ensure periodic collection of sex and age disaggregated data and analysis in the area.
- The project shall approach to gender expertise to further develop gender balanced approaches and to adjust the proposed Gender action plan.
- Based on this assessment, a Gender and Social Inclusion Action Plan (GAP) has to be prepared to implement the gender strategy and to ensure inclusion of disadvantaged groups (poor families, elderly, single-headed households and youth). The GAP is in line with the overall project implementation plan and timeline; thus, all activities are incorporated into the relevant components of the project.

¹⁰³ <https://sdg.armstat.am/3-c-1/>

¹⁰⁴ <https://databank.worldbank.org/source/world-development-indicators/Series/EG.CFT.ACCS.ZS>

ANNEX II. – GENDER ACTION PLAN

The GAP of the project is based by the UNFCCC GAP priorities set forth by parties at COP 25. Furthermore, it is advised by Adaptation fund Gender policy, the local gender equality situation in Armenia and will lead to overcome the existing inequalities as well as to build gender responsive approaches to Climate change activities and initiatives in general. The plan below is compiled in accordance with the project's TOC and intervention framework.

Goal: **IF** capacitated communities of Ani, Ashotsk and Artik are successful in implementing landscape restoration, flood prevention, improved land and waste management and increased agricultural productivity activities, **THEN** they become empowered to sustainably manage their natural resources and adapt to climate change impacts, experience increased resilience and improved well-being and livelihoods, as well as environmental health, **BECAUSE** the tools and knowledge to adapt to climate change impacts effectively and capacity to leverage existing infrastructures and synergies efforts across the sectors will result in necessary economic, social and environmental co-benefits.

Table 38: Gender Action Plan

Outputs	Gender Responsive Action	Performance Indicator	Project Target	Additional Notes	Budget ¹⁰⁵	Timeframe (year to implement)				Responsible
						1	2	3	4	
Component 1: Restoration, management, and increase of adaptation potential of natural and agricultural landscapes of the area affected by climate change and anthropogenic factors.										
Outcome 1: Adaptation and sustainability of natural landscapes of the area affected by climate change and anthropogenic factors increased.	A. Ensure sex disaggregated statistical data on the targeted communities in order to equally involve male and female population in project activities and enjoyment of the results	Availability of sex-disaggregated statistical data and indicators and their use in monitoring and reporting	100% of all project documentation contain data disaggregated by sex, and where possible by age.	The project set minimum target at 30 percent of all beneficiaries of the project to be women, as this is the UN recommended quota to ensure critical mass of women's representation. However, it is just a TARGET, and not a	M&E related	x				EPIU and local communities
	B. Identify the women activists/groups to support the project activities e.g.	Percent of target women beneficiaries # of women	At least 30% of beneficiaries are women, or		Community mobilization related.	x				EPIU and local communities

¹⁰⁵ Such figures reflect the estimated incremental budget that the project earmarked and will dedicate to ensure gender mainstreaming and implementation of the GAP's Gender Responsive Actions.

	planting, rehabilitation, re-forestry.	groups and CSOs involved	women groups	GOAL. The goal should be 50 percent or even more depending on demographic representation in the project area.						
	C. Target the staff of the main project participant agencies and organizations with gender sensitization, mainstreaming and women empowerment workshops	# and % of women and men members of the main implementing partners trained on gender mainstreaming issues	At least 60 % of the staff of the main implementing partners trained on gender mainstreaming issues		EPIU Gender focal point salary and M&E related	x	x	x		EPIU and local communities
	D. Review of the community policies and practices, including those on CC to assess if gender concerns are adequately mainstreamed, and provide recommendations, based on stakeholders' consultations that solicit the views and opinions of women and men on the ground.	Community documentation and policies are gender-responsive and address the needs of both women and men.	Gender perspective is duly mainstreamed	Produced polices and guidelines will be gender responsive, and the staff will be trained on how to use them and will be also exposed to awareness raising and sensitization. Focal points appointed at EPIU will ensure project commitments, activities and expected results. The M&E team of the project will	EPIU Gender focal point salary and M&E related		x	x		EPIU and local communities

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				monitor the process through gender lens.						
	E. Ensure participation of women in the project management committee, planning and activity meetings	# and % of women and men staff participating in the project management committee, planning and activity meetings	At least 30% of the participants of the project management committee are women	The project team, working under technical guidance and assistance provided by the Project' Gender focal point will ensure constant monitoring of the situation and update of the baseline	M&E related	x	x	x	x	EPIU
	F. Secure the effective participation of women in the projects monitoring activities	# and % of women and men staff participating in the project monitoring and evaluation	At least 30% of the staff participating in the project monitoring and evaluation activities are women	The project will encourage participation of women, including those community members in Project monitoring activities.	M&E related	x	x	x	x	EPIU
	G. Build the capacity and technical expertise of the project staff, project beneficiaries and partners on gender analysis, and gender responsive M&E	"No exclusion policy" is in place to ensure women - beneficiaries and implementing partners are trained on gender responsive	At least 60 percent of the project staff and key partners are sensitized in gender, and trained in gender analysis, and gender-	The project will ensure that there will be no gender-based discrimination in the selection process of staff, training and project beneficiaries and, where	Staff training – related to capacity development.	x	x	x	x	EPIU

		approaches.	responsive M&E.	feasible, that women and women in need (according to Armenia social security standards) are given higher priority.						
	H. Support women to ensure their participation in decision making on the community level.	# and % of women and men involved in community level councils	At least 30% of people involved in regional and community level councils is women	The project will advocate for women's greater natural resource and CC management at community, level.	Community mobilization related.	x	x	x	x	EPIU and local communities

Outputs	Gender Responsive Action	Performance Indicator	Project Target	Additional Notes	Budget¹⁰⁶	Timeframe (year to implement)				Responsible
Component 2: Prevention and management of floods						1	2	3	4	
Outcome 2: Social, economic, and environmental threats caused by floods as a result of climate change is reduced	I. Ensure Community engagement and particularly women, young and older people as well as those with disability in discussions and decision making regarding planned infrastructure and	# and % of women and men community members participating in discussions on community level # and % of young and older people, participating in	At least 30% of the participants are women At least 30% of the participants are representing young and older people and those with	The project will ensure community engagement and particularly women, young and older people as well as those with disability in discussions and decision making regarding planned	Community engagement related.	x	x			EPIU and local communities

¹⁰⁶ Such figures reflect the estimated incremental budget that the project earmarked and will dedicate to ensure gender mainstreaming and implementation of the GAP's Gender Responsive Actions.

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	road construction works	discussions on community level # and % of Persons with disabilities participating in discussions on community level	disability	activities.						
	J. Ensure women participation in the monitoring activities	# and % of women and men participating in the monitoring and evaluation	At least 30% of participants are women	The project will encourage participation of women in Project monitoring activities.	M&E related	x	x	x	x	

Outputs	Gender Responsive Action	Performance Indicator	Project Target	Additional Notes	Budget ¹⁰⁷	Timeframe (year to implement)				Responsible
Component 3: Raising awareness and knowledge level of population for the management of stone pit wastes and floods						1	2	3	4	
Outcome 3: Raising awareness and knowledge level of population on the recovery of agro landscapes and flood risk reduction	K. Identify and involve women-leaders and community activists in Training of Trainers (ToT) on sustainable climate adaptive approaches	% of women - participants of the ToT on sustainable climate adaptive approaches	At least 30 % of the participants of the ToT are women	The project will ensure that women are reached, to be part of the training programs, and benefit from improved access to skills and learning. A needs assessment will be conducted prior to the training, and	Training and AR related	x	x			
	L. Collaborate with both women and men in organization of Training and	# and % of women and men participating in training and awareness raising	At least 30 % of participants in trainings and awareness raising activities	measures undertaken to ensure that women have equal access to the trainings. In addition, the contents of	Training and AR related	x	x			EPIU

¹⁰⁷ Such figures reflect the estimated incremental budget that the project earmarked and will dedicate to ensure gender mainstreaming and implementation of the GAP's Gender Responsive Actions.

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	awareness raising (AR) activities	activities	are women	the training will include provisions that substantiate the need for sex-disaggregated data collection and gender analysis.						
	M. Contribute with gender awareness raising sessions to community level trainings and awareness raising (AR) activities	# of gender awareness raising sessions introduced in the community level trainings and % of women and men participating in those gender sessions of the trainings	At least 80% of the community / sectoral level trainings include a gender awareness session At least 30 % of participants in the community level trainings and AR are women		Training and AR related		x	x		EPIU
	N. Develop and disseminate gender sensitive information materials	Number of gender sensitive materials produced and distributed	At least 2 relevant gender sensitive materials are produced (in Armenian) and widely disseminated	The project will ensure dissemination of gender sensitive materials on the project activities and CC adaptive measures	Publication related	x	x	x	x	EPIU
	O. Insure meaningful involvement of local media in dissemination of gender sensitive information about the project activities and CC adaptive measures				Publication related	x	x	x	x	EPIU
P. Ensure cooperation with CSOs working on women	Number of CSOs working on women issues and gender equality supporting	At least 3 CSOs working on women issues and gender	The project will ensure the cooperation with local CSOs in project implementation		x	x	x	x	EPIU	

	issues and gender equality in the process of mitigating the negative effects of climate change	project implementation activities	equality supporting project implementation activities							
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Management of procurements and activities of the projects.

1. **The management and coordination** of the project will be organized in a way to provide secure and enabling work environment to all employees, a place of work that is gender responsive and recognizes the role of men and women as equal players, agents and leaders of change.

The following principles shall be kept:

- a) **Staff Policies:** All staff policies, rules and regulations will be guided by the principles of equal right and opportunities, as prescribed by AF and will be reviewed periodically.
- b) **Recruitment:** Will seeks gender balance in staffing. Women candidates will be encouraged to apply for all vacancies including management and leadership positions both at the field and head office. There will be adequate representation of women in recruitment and interview panels.
- c) **Capacity building for gender sensitization:** Workshops, training programs and other capacity development activities for promoting and enabling a gender responsive work culture will be organized. Also, regular trainings will be conducted on awareness and confidence building of field staff, with special focus on women staff.
- d) **Harassment:** Anti Sexual Harassment policy is in place and is gender neutral according to AF standards and practices.

2. **Programme**

- a) Building skills and capacities on gender perspectives to enable greater participation of all sections of community will be one of our objectives of the project,
- b) The project will promote equal participation of all stakeholders. To promote and assess inclusion of gender equality in the project, implementers will prepare and use a gender equality checklist

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ANNEX III. ENVIRONMENTAL AND SOCIAL IMPACT ASSESSMENT (ESIA) REPORT

1. Introduction

This Environmental and Social Impact Assessment (ESIA) has been developed in accordance with the Environmental and Social Policy (ESP) of the Adaptation Fund (March 2016 revision) and aims to ensure that the project "Enhancing Resilience of Communities to Climate Change in Shirak Marz" is environmentally and socially sound. The assessment identifies potential environmental and social impacts, categorizes risks, and proposes appropriate mitigation and management measures in line with AF policies and relevant Armenian legislation.

The project has been screened and categorized under Category B, meaning that potential environmental and social risks are considered to be site-specific and manageable with appropriate mitigation.

2. Executive Summary

Project Title: Enhancing resilience of communities to climate change in Shirak Marz leveraging best practices of the pilot project implemented in Artik community

Country: Republic of Armenia

Implementing Entity: Environmental Project Implementation Unit (EPIU)

Objective: The objectives of proposed Project are the following:

- Increase adaptation level of natural and agricultural landscapes;
- Prevent floods and eliminate their consequences;
- Restore the natural landscape of the area affected by climate change and anthropogenic impacts, at the same time to demonstrate the possibilities of adaptation level increase of degraded natural landscapes;
- Improve the adaptation potential of community producers, institutions, and other relevant stakeholders regarding climate change under current climate change conditions;
- Replicate and scaleup good practices achieved during implementation of the pilot project "Artik city closed stone pit waste and flood management pilot project".

Key Components of the Project:

- **Component 1: Restoration, Management, and Increase of Adaptation Potential of Natural and Agricultural Landscapes**
 - This component focuses on restoring and enhancing the resilience of natural landscapes that are degraded due to climate change and anthropogenic factors, particularly in areas adjacent to former mining sites. The rationale is to improve soil health, biodiversity, and land use efficiency, which are crucial for the adaptive capacity of local ecosystems and communities. By restoring these landscapes, the project aims to reduce vulnerabilities associated with land degradation and climate change impacts such as soil erosion and loss of productive land.
- **Component 2: Prevention and management of floods**
 - The second component is dedicated to preventing and managing floods, which are increasingly frequent and intense due to climate change. This component focuses on maintaining and improving infrastructure developed in earlier projects to ensure its effectiveness in flood control and minimizing damage to communities and ecosystems.
- **Component 3: Raising awareness and knowledge level of population for the management of stone pit wastes and floods**
 - This component focuses on raising awareness and building the capacity of local populations, municipalities, and environmental organizations in managing stone pit waste and flood risks. The

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rationale is to ensure that the communities are well-informed and equipped to address environmental challenges posed by climate change, especially those related to flood management and sustainable waste practices.

3. Project Description

Background: Armenia is a land-locked country within the Caucasus region between Europe and Asia. The majority of the country is at high altitude (greater than 1,000 meters above sea-level), including a freshwater Lake Sevan, with a surface area of 1,279 km² and the Seven River Basin with a surface area of 4,721 km², spans approximately one sixth of the nation's total land area. As of 2022, Armenia's population was estimated at 2.78 million people¹⁰⁸ and its GDP at \$ 19.5 billion¹⁰⁹. Around one third of the nation's population lives in its capital city, Yerevan¹¹⁰.

Over the past decade, Armenia has transitioned from an industry-dominated to a service-dominated economy. As of 2016, the service sector constituted 48.8% of the labour force. Agriculture remains a major employer with a labour market share of 35.3% and there remains a relatively high rate of unemployment (18%) as well as net out-migration. GDP is distributed less evenly than employment, with around 52,8% originating in the service sector, 26,64% in the industry and only 11,34% in agriculture. Poverty persists, affecting around 26,5% (2021 data) of the population based on the national poverty line¹¹¹.

Summary of Project Components:

Component 1: *Restoration, management, and increase of adaptation potential of natural and agricultural landscapes of the area affected by climate change and anthropogenic factors.*

Number of beneficiaries – 15,000 (minimum 30% women)

This pivotal component of the project is dedicated to restoring, managing, and increasing the adaptation potential of the natural landscapes in the Ani, Ashotsk and Artik regions, which have been impacted by the dual forces of climate change and anthropogenic activities. The component encompasses a diverse array of activities, all working in harmony to rejuvenate ecosystems, strengthening their capacity to withstand climate stempowering and empower local communities.

Through dedicated efforts, the project will recultivate soil covers in areas adjacent to communities, creating 10 hectares of new forest cover. This act of reforestation is not just an environmental endeavor but a means to build resilience against climatic changes. Additionally, the establishment and sustainable management of a forest grove, supported by previous initiatives, will be nurtured to fruition, providing a lasting resource for communities. The project extends its restoration focus beyond forests to include the creation of sowing areas for perennial plants. Covering 900 hectares in communities such as Ani, Ashotsk and Artik, this initiative aims to combat rangeland degradation, fostering adaptable agricultural practices that thrive amidst climate challenges.

Agricultural productivity will be further enhanced through the establishment of 45 hectares of hay meadows and 570 hectares of pastures. This effort directly contributes to increased crop yields and improved crop quality, ensuring both food security and economic stability for the beneficiary communities. The project takes a comprehensive approach to waste management as well, introducing waste collection practices in communities and piloting integrated waste management solutions in Vardakar village. By addressing waste, the project safeguards both environmental health and community well-being.

¹⁰⁸ World Bank data portal - [Armenia](#)

¹⁰⁹ World Bank data portal - [Armenia](#)

¹¹⁰ [Republic of Armenia – Fourth National Communication on Climate Change to the UNFCCC](#)

¹¹¹ ["Armenia – Country Risk Climate Profile", joint publication by World Bank and Asian Development Bank, 2021](#)

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Furthermore, the creation of demonstration sites for intensive orchards in beneficiary communities adds a practical dimension to the component. These orchards showcase the potential for sustainable agricultural practices, contributing to the overall goal of enhanced adaptation potential.

Component 2: *Prevention and management of floods.*

Number of beneficiaries – 15,000 (minimum 50% women)

At the heart of this project's holistic approach lies Component 2, which focuses on the essential task of preventing and effectively managing floods in the vulnerable areas of the Ani, Ashotsk, and Artik regions. This component recognizes the pressing need to mitigate the social, economic, and environmental threats posed by floods due to climate change, ensuring the safety and resilience of local communities. Central to this component is the maintenance of previously constructed infrastructure, ensuring that the flood prevention measures initiated during the pilot phase continue to function effectively. These measures are a testament to the project's commitment to creating lasting change. In a strategic move to divert heavy-duty vehicles away from flood-prone areas, the component advances road infrastructure. This enhancement not only safeguards communities but also fosters sustainable development by preserving vital roadways.

The envisioned outcome of this component is a reduction in the multifaceted threats posed by floods. Socially, communities will experience improved safety and reduced vulnerabilities, while economic stability will be bolstered as a result of safeguarded infrastructure and livelihoods. From an environmental perspective, the project aims to minimize the environmental damage caused by floods, ensuring the health of ecosystems.

By proactively addressing the flood-related challenges through carefully designed infrastructure and preventive measures, this component aligns seamlessly with the broader project goal of building resilient communities. Through the synergy of effective flood management and innovative road infrastructure improvements, Component 2 serves as a cornerstone of the project's commitment to enhancing community well-being and environmental sustainability.

Component 3: *Raising awareness and knowledge level of population for the management of stone pit wastes and floods.*

Number of beneficiaries – 2,000 (minimum 50% women)

Aiming to empower communities with the information and understanding needed to navigate the challenges of managing stone pit wastes and floods, Component 3 plays a crucial role in promoting informed decision-making and fostering sustainable practices. For Component 3 of the project, the capacity-building needs of regional governments and municipalities are critical to implementing and sustaining effective management strategies for stone pit waste, flood management, recovery methods for degraded natural and agricultural landscapes. This component aims to empower communities and local authorities with the necessary information and understanding to address these environmental challenges effectively. These capacity advancement activities will provide local governments with the tools to make informed decisions and implement sustainable practices. The project also emphasizes the importance of sustainable thinking and landscape adaptation to climate change, aiming to instill a stewardship mindset and proactive engagement in these governing bodies.

Central to this component is the goal of increasing the awareness and knowledge levels of the local population. Through strategic efforts, the project seeks to elevate understanding of effective recovery methods for degraded natural and agro landscapes. By equipping communities with insights into the significance of adapting to climate change impacts, the project aims to build a foundation for long-term resilience.

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The dissemination of information about the occurrence and prevention of floods is a pivotal aspect of this component. By educating communities about flood risks and mitigation strategies, the project seeks to empower them to make informed choices that enhance their safety and preparedness. In parallel, the component strives to promote the importance of sustainable thinking related to landscape adaptation to climate change. Through engaging educational campaigns, it aims to instill a mindset of stewardship and proactive engagement in communities. Crucially, local media and environmental non-governmental organizations (NGOs) are invited to join the endeavor, amplifying the outreach and effectiveness of awareness campaigns. Their involvement is instrumental in ensuring that the project's messages resonate widely.

The overarching goal of Component 3 is to raise the awareness and knowledge levels of the population. This outcome translates into increased community engagement, the adoption of climate-resilient practices, and the enhancement of local adaptive capacity. By enhancing awareness about the management of stone pit wastes and floods, the project contributes to the overall well-being of communities, fortifying them against environmental challenges and fostering a sustainable future.

4. Methodology

The ESIA was developed through the following methodological approach:

- Desk review of relevant national legislation, technical guidelines, and Adaptation Fund ESP requirements
- Review of full proposal documents, engineering plans, and conceptual designs for each sub-component
- Stakeholder consultations with community leaders, farmers, and municipal authorities
- Environmental and social screening based on the 15 AF principles
- Development of a risk matrix, identifying each component's risks and appropriate mitigation

5. Legal and Regulatory Framework

National Regulations: The project is governed by Armenia's comprehensive environmental legislation, which includes laws on environmental protection, water use, and land management. Key regulations relevant to this project include (but not limited to):

- **Law on Environmental Impact Assessment and Expertise (HO-110-N, 2014):** Governs the procedures for conducting environmental impact assessments (EIA) and public consultations for projects with potential environmental impacts.
- **Urban Development Code (2015):** Provides the framework for construction and urban planning in Armenia, including building codes, safety regulations, and energy efficiency standards.
- **Water Code of Armenia (2002):** Regulates the sustainable use of water resources, water rights, and permits for water extraction and use.
- **Law on Specially Protected Areas (2006):** Defines the protection and management of Armenia's protected natural areas, ensuring conservation of biodiversity and ecosystem services.
- **Law on Flora (1999) and Law on Fauna (2000):** Regulates activities affecting Armenia's biodiversity, ensuring sustainable use of natural resources and protection of ecosystems.
- **Law on Waste (2004):** Governs waste management practices, including the disposal, recycling, and management of hazardous and non-hazardous waste.
- **Law on Energy Efficiency and Renewable Energy (2004):** Sets standards for energy efficiency and encourages the development of renewable energy sources.
- **International Standards:** The project aligns with several international frameworks, including:
- **Paris Agreement:** Armenia's commitment to reducing greenhouse gas emissions by 40% below 1990

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levels by 2030 is a central guiding principle for the project's design and implementation.

- **Adaptation Fund Environmental and Social Policy:** This policy outlines the environmental and social safeguards that must be adhered to, ensuring that the project does not harm local ecosystems or communities and contributes positively to climate adaptation.

The details about consistence with national and sub-national sustainable development strategies, including, where appropriate, national adaptation plan (NAP), national or sub-national development plans, poverty reduction strategies, national communications, or national adaptation programs of action, or other relevant instruments are presented in Part IIK of this document.

6. Environmental and Social Baseline

This section presents a detailed analysis of the environmental and social context within the project's geographic scope—Shirak Marz, including Artik, Ani, and Ashotsk communities. It provides disaggregated baseline data by component and output to support accurate risk analysis, mitigation planning, and adaptive implementation.

Physical Environment:

Shirak Marz lies in a high-altitude volcanic plateau and is characterized by long, cold winters, late springs, and short summers. It is subject to soil erosion, seismic risks, and hydrological stress. Infrastructure is outdated, particularly for flood control and waste management.

- Output 1.1 (Soil Recultivation near Maralik/Ani): Mining legacies have led to soil compaction and contamination by heavy metals. Topsoil has been removed in many locations.
- Output 1.2 (Forest Grove Maintenance): Forest cover exists but suffers from low tree density and soil erosion due to grazing pressure.
- Output 1.3 (Perennial Sowing in Ani/Ashotsk): Fields are fragmented; topsoil is thin. There's minimal perennial vegetation. Climate change has intensified droughts.
- Output 1.4 (Hay Meadows and Pastures): 615 ha of natural pastures and hayfields are uneven in fertility. Water retention is poor.
- Output 1.5 (Waste Pilot in Vardakar): No formal waste collection exists. Open dumping is widespread. Burn pits are used, leading to air and soil degradation.
- Output 1.6 (Mapping Degraded Land): No unified land degradation dataset exists. Field verification is required.
- Output 1.7 (High-Value Agri-Infrastructure): Target areas are arid, with poor irrigation and limited road access. Energy reliability is a concern.
- Output 1.8 (Orchard Demonstration Sites): Plots identified are slope-prone, requiring terracing. Frost risk is high in spring.
- Output 1.9 (Design/Architecture): Local design capacity lacks integration of climate resilience in structural planning.
- Output 1.10 (Index Insurance Piloting): Historical climate and yield data is inconsistent or unavailable.
- Output 2.1 (Flood Infrastructure Maintenance): Existing canals and dikes are poorly maintained. Bridges have structural damage.
- Output 2.2 (Road Diversion): Roads used by trucks are deteriorating. Erosion and rutting dominate steep segments.
- Outputs 3.1–3.5 (Awareness and Training): Physical venues for training are poorly equipped. Internet coverage is patchy in remote villages.

Biological Environment:

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The region's biodiversity has been altered by human activity. Native grasslands and wetlands are in decline. Few areas remain untouched.

- Output 1.1: Target lands are semi-barren. Recovery requires native grasses, shrubs, and slow-growing trees.
- Output 1.2: Existing groves harbor birds and small fauna. Invasive species threaten local flora.
- Output 1.3 & 1.4: Overgrazed zones show low floral diversity. Rodent and insect habitats are disturbed.
- Output 1.5: Dumps attract scavengers. Open waste affects soil microbiota and disrupts species dynamics.
- Output 1.6: Mapping effort must include ecological overlays to avoid ecosystem degradation.
- Output 1.7–1.8: Intensive agriculture may fragment habitats unless buffer zones are introduced.
- Output 2.1–2.2: Waterways affected by siltation host reeds, amphibians, and occasionally waterfowl.

Socio-Economic Environment:

Shirak Marz is one of Armenia's most economically vulnerable regions. Unemployment, migration, and aging demographics are acute.

- Outputs 1.1–1.4: Target households depend on self-sufficient agriculture. Most farms are <1 ha. Mechanization is low. Women conduct unpaid labor.
- Output 1.5: Waste is collected ad hoc. Municipal services are underfunded. Informal practices dominate.
- Output 1.6: Municipalities lack GIS or land assessment tools. Decision-making is top-down.
- Output 1.7–1.8: Access to markets is weak. Private financing is limited. Few pilot beneficiaries are creditworthy without guarantees.
- Output 1.9: Architectural firms in the region lack familiarity with eco-engineering or seismic resilience.
- Output 1.10: Insurance products are mistrusted. Communication is needed to establish value and process clarity.
- Output 2.1–2.2: Floods cause regular damage to low-income households. Emergency response is informal and under-resourced.
- Outputs 3.1–3.5: Participation in environmental programs is low. Women/youth are often absent from consultations.

This baseline serves as the foundation for environmental and social impact forecasting and ESMP design. Environmental and Social Risk and Impact Assessment

7. Impact Assessment

This section summarizes the main environmental and social risks anticipated from each output of the project, assessed through field visits, stakeholder consultations, technical design review, and expert evaluation. All 17 outputs across the three project components have been assessed against the 15 Environmental and Social Principles of the Adaptation Fund. In general, the environmental and social risks are low to moderate, and no high or irreversible impacts have been identified. The project design integrates adaptive landscape restoration, climate-resilient infrastructure, and institutional capacity building — all of which present opportunities for environmental and social co-benefits but also require proper mitigation to avoid site-specific impacts.

Key Observations:

- Component 1 – Landscape and Livelihood Adaptation: Outputs 1.1 to 1.10 include interventions such as soil recultivation, afforestation, pasture restoration, small-scale farming infrastructure, climate-smart agriculture promotion, and piloting agricultural insurance. These activities carry risks related to land

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conversion, soil erosion, biodiversity disturbance, and potential inequity in benefit sharing. However, these are well understood and can be mitigated through established best practices.

- Component 2 – Flood Management Infrastructure: Outputs 2.1 and 2.2 involve rehabilitation and new construction of diversion roads and culverts. The primary risks relate to construction-phase disturbance (noise, sedimentation, temporary access), safety hazards, and potential changes in hydrology if poorly designed. Careful planning and environmental engineering are essential.
- Component 3 – Capacity Building and Knowledge Sharing: Outputs 3.1 to 3.5 include awareness campaigns, professional and vocational training, development of local disaster preparedness groups, and participatory monitoring. Though these activities are non-structural, risks may arise if outreach excludes vulnerable populations, or if messaging is not culturally appropriate. Gender mainstreaming and inclusive communication strategies are required.

A detailed Output-by-Output Risk and Mitigation Matrix is presented in Table 10, which includes all outputs of the Project along with their respective risk levels, ESP principles affected, and mitigation strategies.

8. Environmental and Social Management Plan (ESMP)

The Environmental and Social Management Plan (ESMP) is the primary tool for ensuring that all potential environmental and social risks identified in this ESIA are appropriately addressed throughout project implementation. The ESMP outlines mitigation measures, institutional responsibilities, and monitoring protocols. The ESMP integrates environmental and social risk mitigation directly into the operational workflows of the project. It builds on the baseline conditions and risk assessments and provides an adaptive management framework, enabling timely response to emerging issues.

Key features include:

- Output-specific mitigation measures, aligned with Table 10
- Integration of safeguards into design and procurement
- Community participation in ESMP implementation
- Alignment with Armenia's environmental and social regulations
- A full version of the ESMP and Monitoring Plan is included in **Part III Section C**.

Roles and Responsibilities:

Effective implementation of the ESMP requires clear allocation of roles among institutional stakeholders. The project governance structure, as described in the full proposal, is fully mobilized to support safeguards compliance.

Project Steering Committee (PSC): High-level oversight of safeguard integration and compliance across all components. Approves revisions to the ESMP if triggered by midterm findings or grievances.

Project Advisory Committee (PAC): Provides technical and policy advice on complex mitigation issues. Ensures consistency with national policies. Reviews safeguard performance.

Project Management Unit (PMU): Leads day-to-day ESMP implementation, risk tracking, and report preparation. Integrates safeguards into procurement, contracting, and workplans.

Technical Working Groups (TWGs): Provide sector-specific input on environmental (e.g., reforestation, flood control) and social (e.g., insurance, training) aspects of mitigation. Validate technical feasibility of mitigation actions.

Community Engagement Committee: Ensures community feedback is integrated into mitigation activities. Help identify vulnerable groups and monitor local grievance mechanisms.

Gender and Social Inclusion Focal Points: Ensure that all mitigation measures reflect gender and inclusion concerns. Monitor disaggregated participation and benefits. Contribute to annual safeguard reporting.

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9. Conclusion

This Environmental and Social Impact Assessment (ESIA) has been prepared in line with the Environmental and Social Policy of the Adaptation Fund and the national legislative framework of the Republic of Armenia. It provides a comprehensive analysis of potential environmental and social risks associated with the project “Enhancing Resilience of Communities to Climate Change in Shirak Marz” and proposes mitigation and management measures integrated through a detailed Environmental and Social Management Plan (ESMP).

The ESIA has demonstrated that while several moderate environmental and social risks are present—particularly related to land degradation, waste management, flood vulnerability, and social exclusion, these risks are site-specific, predictable, and can be effectively mitigated through planned and participatory measures.

Key strengths of the project include:

- Proactive inclusion of women, youth, and vulnerable groups through targeted outreach and governance structures;
- Strong institutional framework with clearly defined responsibilities across the Project Steering Committee (PSC), Project Advisory Committee (PAC), PMU, TWGs, and local engagement mechanisms;
- Integration of environmental and social safeguards into all stages of project design, implementation, monitoring, and evaluation;
- Dedicated grievance redress mechanism and community monitoring tools;
- Evidence-based and context-specific ESMP aligned with 15 ESP principles.

The ESIA concludes that the project is not expected to have any significant or irreversible negative environmental or social impacts. Rather, it is expected to generate long-term co-benefits for local ecosystems and communities. With the implementation of the ESMP and active participation of stakeholders, the project is well-positioned to serve as a replicable model of climate adaptation and environmental integrity in Armenia and beyond.

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ANNEX IV. – REPORT ON STAKEHOLDER CONSULTATIONS

Background

The “Environmental Project Implementation Unit” State Agency of the Ministry of Nature Protection of the Republic of Armenia (EPIU) has contracted “Consecoard” LLC (Consultant) to support in development of full proposal for the “Enhancing resilience of communities to climate change in Shirak Marz leveraging best practices of the pilot project implemented in Artik community” project to be submitted for funding to the Adaptation Fund (AF) (hereinafter Project).

This project, aiming to enhance the resilience of Shirak Marz communities to climate change, builds upon the successes of the Artik city pilot project and focuses on natural landscape restoration, flood prevention, and enhancing the adaptive capacities of local stakeholders.

Given the increasing climate variability in Armenia and its impacts on agriculture, ecosystems, and infrastructure, this project is vital for protecting vulnerable regions.

The consultant’s key role was discussion of the details of the upcoming Project full proposal.

Stakeholder consultations were an essential element of the project development process, ensuring that the project design is both inclusive and responsive to the needs of local communities and key regional actors. Stakeholders provided invaluable insights on the sustainability of the interventions, specific needs of vulnerable groups, and coordination with other existing programs, thus shaping the project’s approach to effectively tackle climate challenges in Shirak Marz.

The objectives of the proposed Project are as follows:

- Increase adaptation level of natural and agricultural landscapes;
- Prevent floods and eliminate their consequences,
- Restore the natural landscape of the area affected by climate change and anthropogenic impacts, at the same time to demonstrate the possibilities of adaptation level increase of degraded natural landscapes,
- Improve the adaptation potential of community producers, institutions, and other relevant stakeholders regarding climate change under current climate change conditions;
- Replicate and scaleup good practices achieved during implementation of the pilot project “Artik city closed stone pit waste and flood management pilot project”.

Stakeholder consultations

On July 26,2024 the Consultant’s team had meeting with the management and respective experts of the EPIU. During the meeting the lists of the target communities of the upcoming Project were discussed and agreed (see the list of the target communities in the table below):

Table 39: Geographical overview of stakeholder consultations

N	Region	Community	Participants
1.	Shirak	Ani consolidated community	Head and municipality officials, NGOs
2.		Artik consolidated	Head and municipality officials, NGOs

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		community	
3.		Ashotsk consolidated community	Head and municipality officials, NGOs

Stakeholder consultations have been conducted in the format of Focus Group Discussions and a dedicated workshop, ensuring broad representation of the Shirak regional government and the target communities (please see the photos in the Annex).

The main topics discussed with the stakeholders, among others, were as follows:

- Any specifics that need to be considered during designing the Project,
- Potential challenges and risks that upcoming Project may encounter during implementation,
- Any specifics related to vulnerable groups, including gender considerations
- Sustainability considerations,
- Any other project/programme with other funding sources.

These consultations aimed to gather insights from regional government officials, local self-governance bodies, civil society organizations (CSOs), and other relevant stakeholders to ensure that project components address the region's specific needs and challenges. These discussions were structured to gather feedback on project components, identify potential risks and barriers, and explore opportunities for engaging vulnerable groups, including women and youth.

Key consultations took place on August 6, 2024, where experts from the consulting team, in collaboration with the Environmental Project Implementation Unit (EPIU), visited the target communities (Ani, Artik, and Ashotsk). Initial meetings with local officials helped introduce the project and collect early feedback. Later, on September 5, 2024, a more comprehensive workshop was held with representatives from regional government (including deputy governor of the region), local governments and CSOs, focusing on identifying potential risks, challenges, and specific considerations related to vulnerable groups and sustainability.

Consultations revealed a strong local commitment to addressing environmental degradation and climate risks, especially regarding landscape restoration, flood prevention, and climate-resilient agricultural practices. Local authorities from each of the target communities expressed their readiness to support project activities, emphasizing the need for early and thorough mapping of degraded lands, as well as coordinated efforts to pilot climate-smart agricultural models and intensive orchards. The workshop participants also highlighted the need for coordination with state support programs to maximize the project's reach.

The stakeholder consultations were successful in gathering essential local insights and securing the support of key actors in Shirak Marz. These discussions will help shape a more inclusive, sustainable, and effective project proposal that addresses the unique challenges of the region while building on the successes of the pilot project implemented in Artik. This collaborative approach will be key to ensuring the project's success.

Totally, 68 stakeholders were consulted (36% women).

Key Discussions and Outcomes

Landscape Restoration and Agricultural Interventions

Participants recognized the importance of restoring the landscape of Shirak Marz, particularly the soil cover in areas impacted by mining activities. The proposal to recultivate 10 hectares of forest adjacent to Maralik was widely

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supported. Stakeholders highlighted the need for clear identification of the areas for sowing perennial plants, proposing specific crops such as sainfoin and alfalfa, which have proven to be resilient and suitable for the local climate.

Local authorities from Artik, Ani, and Ashotsk communities were particularly enthusiastic about the pilot of climate-resilient agricultural models. They expressed their willingness to engage local farmers and suggested coordination with state-supported programs for the establishment of intensive orchards. Establishing orchards across smaller, community-owned plots was recommended as a means to enhance knowledge sharing and involve more local farmers.

Waste Management and Flood Prevention

The introduction of integrated waste management practices was positively received. Local communities expressed interest in piloting such systems, with a strong focus on raising awareness through youth eco-clubs and NGOs. Waste management is seen as an essential component of environmental health, with the potential to involve women-led organizations in the outreach and education efforts. Regarding flood prevention, stakeholders discussed the maintenance of infrastructure constructed during the Artik pilot project. There was unanimous agreement that improving road infrastructure to divert heavy-duty vehicles from flood-prone areas would not only mitigate flood risks but also reduce air pollution and dust from mining trucks.

Gender and Vulnerable Group Considerations

A significant part of the discussions revolved around the need to ensure that women and youth actively participate in the project. Local women-led NGOs and eco-clubs were identified as valuable partners in both waste management initiatives and environmental education campaigns. These groups are well-positioned to lead grassroots-level awareness efforts and play a key role in promoting sustainable practices within their communities. In addition, there was a call for ensuring that women are adequately represented in decision-making processes at both the local and regional levels, ensuring that project benefits are equitably distributed.

Coordination and Sustainability

Throughout the consultations, participants emphasized the need to align project activities with existing state programs, particularly those focused on orchard development and agricultural resilience. They suggested that close coordination with state and private sector partners would help scale up successful initiatives and ensure long-term sustainability. To maximize impact, stakeholders encouraged leveraging financing from local commercial lenders for agricultural innovations and infrastructure investments.

For more details on the key discussions and outcomes please see the table below.

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Table 40: Project components discussed and results of the discussions.

Table below summarizes all the discussions and the results thereof during the stakeholder consultations, including during the workshop:

Project/Program Components	Expected Concrete Outputs	Community	Topics	Results of discussions
Component 1: Restoration, management, and increase of adaptation potential of natural and agricultural landscapes of the area affected by climate change and anthropogenic factors.	<u>Output 1.1</u> Soil cover of mine adjacent to Maralik community is recultivated (<i>10 ha of forest cover will be created</i>);	Ani	<ul style="list-style-type: none"> ➤ Local needs to be potentially incorporated into project ➤ Potential risks and challenges related to project implementation ➤ Local vulnerability 	<ul style="list-style-type: none"> ➤ The old mine is between Maralik and Dzorakap settlements, the community management has started some works ➤ The risk of reopening of the closed mines needs to be addressed ➤ There is around 250,000 m3 of quality fertile soil available in the community ➤ Community self-government body will support as much as possible
	<u>Output 1.2</u> Forest grove established with support of previous project is taken care of and became sustainable;	Artik	<ul style="list-style-type: none"> ➤ Project complementarity ➤ Project Sustainability 	<ul style="list-style-type: none"> ➤ Community self-government body will support as much as possible
	<u>Output 1.3</u> Sowing areas of perennial plants are created reducing rangeland degradation in Ani, Ashotsk and Maralik communities (<i>900 ha of perennial sowing area established</i>);	Artik, Ani, Ashotsk		<ul style="list-style-type: none"> ➤ There is a need for identification and mapping of the exact areas where sowing areas of perennial plants will be created ➤ In Artik it was suggested to sow sainfoin and alfalfa, as well as to pilot also oats (although it is an annual crop) ➤ All communities' self-government bodies will support as much as possible
	<u>Output 1.4</u> Crop yield and crop quality of the adjacent natural landscapes is increased in Ani, Ashotsk and Maralik communities (<i>45 ha hay meadows and arable lands 570 ha pastures</i>);	Artik, Ani, Ashotsk		<ul style="list-style-type: none"> ➤ There is a need for identification and mapping of the exact areas where sowing areas of perennial plants will be created ➤ All communities' self-government bodies will support as much as possible
	<u>Output 1.5</u> Waste collection practices are introduced in Ani, Ashotsk and Maralik communities (<i>garbage tracks, bins and</i>	Artik, Ani, Ashotsk		<ul style="list-style-type: none"> ➤ Type of the waste to be processed need to be determined based on the feasibility study ➤ Artik and Ani communities are very enthusiastic

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<p>collection) and pilot program for integrated management of household waste in the village of Vardakar is implemented;</p>			<ul style="list-style-type: none"> ➤ There is a need for feasibility study that will study economic viability of inclusion of Ashotsk community in the initiative ➤ There are youth NGOs and eco-clubs in the schools that can be involved in some activities and raising awareness initiatives (some small grant competitions can be organized among young people)
<p><u>Output 1.6</u> Mapping of all degraded lands in Shirak region is implemented;</p>	<p>Artik, Ani, Ashotsk</p>		<ul style="list-style-type: none"> ➤ All communities' self-government bodies will support as much as possible
<p><u>Output 1.7</u> Infrastructure for piloting high value agriculture models (including new types of climate resilient crops) at 100 ha of degraded land is implemented with the commercial lending from private financier engaged (construction of the facilities);</p>	<p>Artik</p>		<ul style="list-style-type: none"> ➤ Community self-government body will support as much as possible
<p><u>Output 1.8</u> Demonstration sites for intensive orchards in all beneficiary communities are constructed (10 ha in each community);</p>	<p>Artik, Ani, Ashotsk</p>		<ul style="list-style-type: none"> ➤ It is suggested to establish intensive orchards on average on 5,000 sq.m plots, so several orchards in several settlements could be established. This will allow us to spread the knowledge and practices in more settlements, hence, to reach more farmers ➤ Communities suggest establishing around 20% of the orchards in the community owned plots that will be cultivated/managed by community management ➤ Possibility of coordination with the respective State support programmes (on establishment of intensive orchards, on installation of drip irrigation systems, on leasing of agri-machinery, etc.) could be considered – either as possibility for co-financing or scaling up ➤ The criteria for selection of the potential beneficiaries shall be well thought and discussed

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	<u>Output 1.9</u> Architecture and design work for all components are carried out;	Artik, Ani, Ashotsk		➤ All communities' self-government bodies will support as much as possible
	<u>Output 1.10</u> Index insurance piloted in beneficiary municipalities	Artik, Ani, Ashotsk		➤ All communities' self-government bodies will support as much as possible
Component 2: Prevention and management of floods	<u>Output 2.1</u> Infrastructure constructed during the pilot project is maintained	Artik		➤ Community self-government body will support as much as possible
	<u>Output 2.2</u> Road infrastructure (two small bridges and renovation of existing road) is advanced to divert the heavy-duty vehicles away from the adjacent to the mine communities;	Artik		➤ Community self-government body will support as much as possible
Component 3: Raising awareness and knowledge level of population for the management of stone pit wastes and floods	<u>Output 3.1</u> The level of knowledge on effective recovery methods of degraded natural and agro landscapes will be increased	Artik, Ani, Ashotsk		➤ There is a need for training of local experts
	<u>Output 3.2</u> The knowledge level of the population on natural and agro landscape adaptation to climate change will be increased		➤ Social advertisements are among the most effective means	
	<u>Output 3.3</u> Increasing of the knowledge level of the population on the occurrence and prevention possibilities of floods		➤ There is a need for increasing awareness on pasture management plans, because lack of knowledge creates many problems	
	<u>Output 3.4</u> Promoting the importance of the sustainable thinking, learning and dissemination of information related to the landscape adaptation to climate change in communities		➤ Youth, Women and Environmental NGOs, as well as farmers are ready to be involved in the Project activities	
	<u>Output 3.5</u> The involvement of local media and environmental NGOs in the process of		➤ All communities' self-government bodies will support as much as possible	

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mitigating the negative effects of climate change will be increased			
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Recommendations and Next Steps

The stakeholder consultations underscored the importance of community engagement and strong collaboration between local authorities, NGOs, and government agencies. To ensure the success of the project, the following actions were recommended:

- Mapping of degraded lands should be initiated early in the project to identify priority areas for restoration.
- Coordination with state programs for orchard establishment and waste management should be formalized to maximize resource efficiency and impact.
- Youth involvement should be prioritized through eco-clubs and NGOs, particularly in raising awareness about waste management and climate resilience.
- Gender-sensitive approaches should be integrated into all project components to ensure that women's perspectives and needs are addressed.
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By incorporating these recommendations, the project will be better positioned to deliver meaningful, sustainable results that align with the needs of the Shirak Marz communities and contribute to broader national climate resilience efforts.

Annex 5 to OPG Amended in October 2017

Photos from Consultation meetings

