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Final Progress Report

“Sustainable Livelihood for Socially Vulnerable Refugees, Internally Displaced and Local Families” in Armenia

Project funded by the United Nations Trust Fund for Human Security (UNTFHS)

Reporting Period: 01/04/2009 - 30/09/2012

Reported by: UNHCR, UNDP, UNIDO, UNFPA and UNICEF

YEREVAN, February 2013

Section I: Basic data/Summary

Date of submission	28 February 2013
Benefiting country and location	Armenia: Kotayk and Gegharkunik regions
Title of the project	Sustainable Livelihood for Socially Vulnerable Refugees, Internally Displaced and Local Families
Duration of project	3.5 years: from 1 April 2009 to 30 September 2012(extended)
Responsible UN organizations for project management	UNHCR, UNDP, UNIDO, UNFPA and UNICEF
UN Executing partners	UNHCR, UNDP, UNIDO, UNFPA and UNICEF
Total Project cost (including programme support cost)	USD 2,417,130 UNHCR(762,910), UNDP(545,165), UNIDO(880,075), UNFPA (100,580), UNICEF (128,400).
Reporting period	1 April 2009 - 30 September 2012
Type of report	Final report

Executive Summary

The aims of the “Sustainable Livelihood for Socially Vulnerable Refugees, Internally Displaced and Local Families” project in Armenia to enhance minimum living standards for the people living in Kasakh, Geghamasar, Pambak communities and surrounding areas have been fully achieved. In September 2011, three participating agencies within the UNTFHS project (UNDP, UNFPA and UNICEF) successfully completed all their activities relating to the project and commenced their follow-up implementation. UNDP successfully developed the Integrated Community Development Plans, distributed fruit tree seedlings and delivered training sessions on planting in the selected communities. UNFPA achieved all planned outputs for the entire project, which was reported during the previous reporting periods. UNICEF established two Intensive Neonatal Care Units in Chambarak health centre of Gegharkunik marz and in Yeghvard hospital of Kotayk marz through the provision of all required equipments.

UNHCR was only able to fully complete the project in mid 2012. Although the construction works were completed in June 2010 and the building handed over to the authorities, occupancy of the building was delayed due to safety concerns. Following a series of engineering and construction assessments, it was determined that faulty designs have led to structural defects and the building needed reinforcement. It took some time for UNHCR to raise the funds required for the strengthening works, which were finally carried out successfully enabling the beneficiaries to move in as of 1 June 2012. The overall number of beneficiaries is 45, out of which 30 female and 15 male, who moved into their fully furnished comfortable apartments. The social housing, in addition to apartments, included a social event facility, two premises for income generating activities and a computer training room, which was used for implementation of Community Technology Access (CTA) project benefiting more than 76 people.

UNDP developed the Integrated Community Development Plans for years 2009-2012 for Geghamasar, Pambak communities in both English and Armenian languages and introduced them to the communities. Based on needs assessments, income-generating activities were identified, formed and relevant vocational trainings conducted. Seeds, fertilizers, agricultural production means and agricultural equipment/machinery were procured and distributed to beneficiaries. Community Based Organizations (CBOs) were established in Geghamasar and Pambak communities for managing the implemented agricultural/income generation

projects. The project implemented activities aimed at strengthening these CBOs institutionally. The project had an impact on selected 683 vulnerable families of Geghamasar, Pambak and Daranak communities. The skills and needs of the families were identified. Feasibility studies on identification of income-generation activities in three communities were finalised. Five groups were formed as per the identified income-generation activity. In addition, the selected families benefited from the conducted vocational trainings on farming production-cycle procedure. Moreover, the elaborated Integrated Community Development Plans contributed to involvement of other donors (“Shen” Benevolent Fund, World Vision) in the selected communities. They implemented projects addressed at meeting the needs identified and assessed by Integrated Community Development Plans elaborated by UNDP in the framework of the project. 6,000 fruit tree seedlings (apricot, peach, pear, apple, cherry) were distributed to Pambak, Daranak and Geghamasar communities in April 2011. Trainings on planting and cultivation of seedlings were delivered to the beneficiaries of all three communities and relevant educational materials were distributed. During reporting period regular field visits were conducted to monitor operation of established Community Development Funds in Geghamasar and Pambak and to assess sustainability of the activities implemented within the framework of the project during the previous years (provision of agricultural inputs – seeds, seedlings, fertilizers, cows, agricultural machinery etc.).

UNIDO supported the empowerment of rural households by encouraging their participation in the economic development of their communities. The strategy rested on (i) fostering local entrepreneurship by enhancing business competencies of local would-be entrepreneurs; (ii) expanding access to credit through establishment of a seven-year SME-supporting Fund; (iii), upgrading local infrastructure by building or refurbishing community-owned facilities; and (iv) improving access to modern and clean energy sources through construction of a community-based biogas plant in Geghamasar and two household-based biogas systems for 4 families for heat production. As to the SME component, project activities were completed by September 2012, with the SME-supporting Revolving Fund operating since autumn 2011 and the four community-owned projects realized by early October 2012.

As to the biogas component, needs assessment and intensive consultations with Geghamasar community members revealed that the biogas plant will operate in a sustainable mode only in case it produces not only heat, but also generates electricity for commercial purposes. Liquid fertilizer as by-product from the biogas generation will support local farmers in their efforts to develop organic agricultural practices. Due to the change of the scale of the biogas plant and the technology, UNIDO faced a gap in USD90,000. To complete local construction of the Geghamasar Biogas Plant (GBP), UNIDO allocated the required resources from the UNIDO core resources. Installation and commissioning of biogas systems is planned in June-July 2013. Additional funding will be sought to develop managerial and operational capacity of the owner of the biogas plant, Geghamasar Development Foundation (GDF).

Regarding the establishment of the SME Supporting Fund, the assessment of the Expression of Interests (EOIs) was followed by a Request for Proposals (PRF) to the eligible interested local non-for-profit organizations that responded to the earlier Call for EOIs. The evaluation and selection process is now completed and the issuance of the contract to the successful IP is under way. As to the community-owned projects, the extensive consultative process with the communities resulted with a list of infrastructure projects, which are beneficial to the life of the community as well as complementary to other initiatives financed by other development partners. If the extension is granted, the additional period will be used to execute the infrastructure projects for the target communities as well as monitor the performance of the SME Supporting Fund.

The implemented activities included development of viable options for alternative energy use in Geghamasar and Pambak communities. Based on the prolonged consultations with community members and agreement on the final decision on the scheme and type of production, it was agreed that in Pambak 2 family-size biogas plants will be established for 4 families who expressed willingness to construct biogas plants in their farms (1 plant for 2 neighbours). The community-based biogas plant in Geghamasar is not expected to be sustainable without the revenue from electricity sales (electricity production from biogas and its sale to the grid receives favourable feed-in tariff), therefore the electricity generation is taken up in the scope of the Tender for the equipment. The overall budgetary impact will be mitigated through additional budget currently being identified and secured from other sources (e.g. UNDP Small Grants Programme). The household-based biogas plants in Pambak will remain for heat production only, given their small-size.

List of abbreviations and acronyms

ACHE	Armenian Centre for Health and Education
AMD	Armenian Drum
ASIF	Armenian Social Investment Fund
BSG	Biogas Support Groups
CBOs	Community Based Organizations
GBP	Geghamasar Biogas Plant
GDF	Geghamasar Development Foundation
CHP	Combined Heat and Power
CP	Country Programme
CTG	Cardiotocograph
GoA	Government of Armenia
HCF	Healthcare Facility
IMCI	Integrated Management of Childhood Illnesses
IPOG	Institute of Perinatology, Obstetrics and Genecology
JP	Joint programme
LLC	Limited Liability Company
MFIs	Micro Finance Institutions
MoU	Memorandum of Understanding
MTA	Ministry of Territorial Administration
NGO	Non-Governmental Organization
OB/GYN	Obstetrician/Gynaecologist
PSRC	Public Service Regulatory Commission
RoA	Republic of Armenia
RHIYC	Reproductive Health Initiative for Youth in the South Caucasus
SMS	State Migration Service
SRH	Sexual and Reproductive Health
TGT	Travelling gynecologist team
ToT	Training of Trainers
UCO	Universal Credit Organization
UNFPA	United Nations Population Fund
UNDP	United Nations Development Programme
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
UNIDO	United Nations Industrial Development Organization
YFHS	Youth-friendly health services
YMCA	Young Men's Christian Association

Section II: Purpose

Main objectives and outputs expected as per the approved project document

The project was designed to pursue two main objectives: i) increased access to suitable housing in Kasakh community for the socially vulnerable and disadvantaged families through remodeling of a former factory building into social housing units; ii) improved living standards in Kasakh, Geghamasar and Pambak communities for socially vulnerable families through the generation of sustainable income opportunities.

How the project aimed to attain the human security objective

The human security concept encompasses and comprehensively addresses human rights, good governance and access to economic opportunity, education and health care. The Sustainable Livelihood for Socially Vulnerable Refugees, Internally Displaced and Local Families project was developed to ensure that the fundamental economic, educational and social rights of the extremely vulnerable population groups are protected. The project concentrated in areas that have been neglected so far, targeting Kasakh, Geghamasar and Pambak communities and their surroundings. Jointly implemented by UNHCR, UNICEF, UNDP, UNFPA and UNIDO, the project advanced integrated approaches and addressed the broad range of interconnected issues that take into account the multi-sectoral demands of human security. The project sought to reduce poverty by assisting extremely vulnerable refugees, IDPs and local families through the provision of social housing, income generating projects, trainings on the capacity building of direct beneficiaries and self-government bodies. The planning process was based on the participatory approach involving direct beneficiaries of the project in the decision-making process. The project supported the empowerment of poor vulnerable households and focused on activating youth by promoting their participation in economic and civic life. The increased access to reliable, local energy services will help vulnerable groups address energy shortages and provide opportunities for income generating activities. Through the provision of trainings on entrepreneurship and business management, the increased access to lending sources through establishment of a SME-supporting revolving fund and the access to alternative energy sources, the project further contributed to the empowerment and the protection of people.

Main implementing partners

- UNHCR:** Armenian Centre for Health and Education (ACHE), Armenian Social Investment Fund (ASIF), Young Men's Christian Association (YMCA)/Shelter NGO, State Migration Service (SMS) of the Ministry of Territorial Administration, and Municipality of Kasakh village.
- UNDP:** Municipality of Pampak village, Municipality of Geghamasar village, Municipality of Daranak village, Pambak Community Development Fund, Geghamasar Community Development Fund, Governor's Office of Gegharkunik Region, the Ministry of Territorial Administration of RoA.
- UNIDO:** Ministry of Energy, State Commission of Public Services, Technical Companies for biogas design and construction (selection process), loan operator (by bidding process), Ministry of Territorial Administration, local authorities.) Ministry of Energy, State Commission of Public Services, Technical Companies for biogas design and construction (selection process), loan operator, Ministry of Territorial Administration, local authorities.
- UNFPA:** Ministry of Health, Republican Institute of Reproductive Health, Perinatology, Obstetrics and Gynecology.
- UNICEF:** Ministry of Health, Ministry of Education, local health/education authorities

Section III: Results

Main activities undertaken

UNHCR – Through the provision of social housing, the project aimed to assist vulnerable families living in substandard accommodation in Kasakh village and the surrounding area.

The initial plan was to build 50 housing units but due to a sharp increase in construction and labour costs, the number of units was reduced to 20. In June 2010, UNHCR completed the remodelling of the building into 20 units, a social event hall, computer training room and two rooms for entrepreneurship activities.

Though 20 housing units were built, the flooring of the corridors and inside the rooms were not completed due to shortage of funds. The outside of the building was not painted either. Whilst attempting to secure extra funding for the uncompleted works, in November 2010, structural defects were identified in the building and due to safety concerns, occupancy of the building was delayed.

What ensued was a series of engineering and construction assessments to determine the next course of action. Eventually, it was deemed that the structural integrity of the building was unstable and needed reinforcement. Following these assessments, several recommendations were made in order to re-model and strengthen the building to ensure a safe and hazard-free occupancy for the beneficiaries. In November 2011 UNHCR entered into an agreement with the Armenian Social Investment Fund, which agreed to co-fund the project. In addition it was agreed to install internal heating system which increased the overall cost up to USD 188,145. UNHCR's contribution from its direct funding amounted to USD 94,652 and ASIF supplemented the remaining USD 93,492.

On 1 June 2012 all 45 beneficiaries (30 female and 15 male) targeted by the project happily moved into their new, fully furnished apartments. They were living in dilapidated communal center for over 20 years.

In order to improve computer skills of the new residents of the social house, UNHCR implemented a Community Technology Access (CTA) project with a local NGO, the Armenian Centre for Health and Education (ACHE). Upon successful completion of the training, beneficiaries were provided with certificates and a brief handbook covering all the training topics was also distributed. To date a total of 76 people benefitted from the CTA project.

UNDP – The sub-project supports the empowerment of poor/vulnerable rural households (women headed households and households with three and more children) by strengthening the capacities of local government, by the provision of seeds, livestock, and the creation of community development funds.

- Memorandums of Understandings were prepared and signed with the Municipalities of Geghamasar, Pambak.
- Participatory Strategic Community Development Plans for Geghamasar and Pambak communities were prepared and approved by the Communities' Councils.
- Performance Budgeting methodology was introduced in Geghamasar and Pambak communities.

- 683 target families were selected and their skills and needs identified in Geghamasar, Pambak and Daranak communities.
- Nine relevant groups as per the identified income-generation activities were formed.
- Nine vocational trainings on farming production cycle procedure were identified and provided to the beneficiaries.
- 100 tones of wheat and 62 tones of fertilizers distributed for 330 households in Geghamasar community.
- Artificial insemination tools and materials were procured and provided to the veterinary service in Vardenis which will provide services to Geghamasar, Pambak and surrounding area.
- The procurement and distribution process for the needed agricultural production means and equipments/machineries was finalized (Tractor T150, 1 plough – for Geghamasar community; Tractor MTZ, 1 plough, grain seeder, bailer, cultivator, and a grain combine harvester – for Pambak community)
- 145 cows distributed in Pambak and Daranak communities.
- Two CBOs in Geghamasar and Pambak communities are formally registered (the boards were set) and made operational.
- 6,000 Fruit seedlings were procured and distributed to more than 250 households in Pambak, Geghamasar and Daranak communities.

During reporting period regular filed visits were conducted to monitor operation of established Community Development Funds in Geghamasar and Pambak and to assess sustainability of the activities implemented within the framework of the project during the previous years (provision of agricultural inputs – seeds, seedlings, fertilizers, cows, agricultural machinery etc).

The following was identified in the result of the monitoring:

- Areas of arable lands were increased by around 20%;
- Wheat yield was increased by more than 30 %;
- Wheat loss was reduced by 15%;
- Wheat cultivating peasant farms in Pambak, Geghamasar and neighbouring communities will be secured with high quality wheat seeds for the subsequent 2-3 years;
- Rootage rate of the fruit tree seedlings was more than 95%;
- In 3-4 years period the fruit yield will be increased in three communities (Pambak, Geghamasar and Daranak) by about 40%;
- Before the project implementation the milking capacity of the region was 1200 -1300 litres per cow per year. Milk capacity of the cows distributed in the framework of the project is 1800-2000 litres per cow per year.
- 140 heifers were produced from distributed 145 cows. One of the distributed cows was eaten by wolves and one of them failed from a disease. Relevant documents are available;
- In the result of the project implementation the average annual income of the beneficiary farms was increased by 30%.
- Pambak Community Development Fund maintains the only kindergarten of the community with its resources that provides employment for 10 women.

UNIDO – The sub-project supported the empowerment of rural by i) enhancing business competencies of local would-be entrepreneurs, ii) expanding access to credit through the establishment of a seven-year SME-supporting Revolving Fund, iii) building and refurbishing

community-owned facilities, and iv) improving access to modern and clean energy sources through construction of pilot biogas plants. The main results achieved were:

Outputs 2.4 – Market and business development assessment, business training and study tours

- In early 2010, a training-needs analysis was conducted in the target communities to assess the potential for small business development in the target communities and assess the business competencies of interested entrepreneurs. 80 questionnaires were distributed and 59 responses collected. The survey revealed that the respondents' business interests were mainly oriented towards agro processing and consumer services.
- On the basis of the findings of the business assesment, a customer-tailored training on small business development and counseling on elaboration of business plans was conducted between January and April 2010. The objective was to enhance participants' capabilities to assess the viability of business ideas as well as understand basic managerial, financial and legal requirements for establishing and running businesses. 103 would-be and existing entrepreneurs from Kasakh, Geghamasar and Pambak attended the training, of which a third were women and a fourth in their twenties. Some 45 progressed to turn business ideas into potentially viable business plans.
- Two series of short in-country tours were, then, organised for interested entrepreneurs in October 2010 and September 2012, with the aim of exposing participants to established and thriving businesses in other regions of the country and learn successful stories from their peers. Overall, 55 entrepreneurs participated in the study tours and visited firms and business service centers operating in sectors of relevance for their local economies, such as agro-processing and food processing, bed & breakfast, catering services, camping sites, retail and repair shops. The participants regarded the study-tours as an efficient and useful means for business networking, learning and idea generation.
- As part of its services, ECLOF Armenia, the Implementing Partner of the SME-supporting Revolving Fund, conducted 17 awareness seminars between October 2011 and September 2012, covering six communities in Gegharkunik marz (Geghamasar, Pambak, Tsapatagh, Tsovak, Karchaghbyur, Daranak) and one community in Kotayk marz (Kasakh). Besides informing participants of credit opportunities through the SME-supporting revolving Fund, the seminars explain taxation, registration and other business regulations. Overall, 148 participants attended the awareness seminars, among which 47 were women. As part of the implementation agreement, ECLOF will continue to provide regularly these seminars to prospective borrowers and advise borrowers throughout the life of the SME-supporting Fund, and, by doing so, it will contribute to enhance local business competencies. Currently, awarness seminars are being conducted eight additional neighbouring rural communities in the Gegharkunik marz.

Outputs 2.5 – SME-supporting Revolving Fund and community-owned projects

The Note on Implementation Arrangements approved by OCHA on 7 December 2010 states that USD350,000 is to be earmarked for lending, whereas USD150,000 for community-owned projects.

SME-supporting Revolving Fund : In line with these arrangements, in September 2011 ECLOF Armenia was selected through the two-tier bidding exercise as the Implementing Partner for the SME-supporting Fund. According to the contract, ECLOF Armenia will continue lending activities for seven years from 30 September 2011 with the developmental purpose of fostering entrepreneurship, employment creation and poverty reduction in the project areas. After seven years, ECLOF will be eligible to use the funds for micro-lending to other rural areas in the country, if it wishes so. To date,

- 36 loans were approved for a total amount of AMD66,940,000 (approximately USD166,000). The average size of individual loans is ADM4,610 (approximately USD4,610).
- Some 28 percent of the total amount of loan disbursements (AMD18,750,000) were disbursed in Kasakh (Kotayq marz), whereas the remaining 72 percent (AMD48,190,000) in the less economically developed communities of Geghamasar, Pambak, Tsapatagh, Daranak and Karchagbyur (Gegharkunik marz).
- Of 36 loans, 21 were disbursed to start up new businesses and 15 to expand existing ones. Of 21 loans for start-ups, 80 percent were disbursed in the Gegharkunik marz, creating 16 new jobs in that area.
- Nearly 28 percent were female borrowers and nearly 24 percent were between 25-39 years of age.
- Some 65 percent of the borrowers have already increased their revenues, ranging from 1 to 40 percent (the majority between 5 and 20 percent).

Community-owned Projects: Extensive consultations with the Minister of Territorial Administration (MTA), the local authorities of Kasakh, Pambak and Geghamasar, as well as other development partners present in the area were undertaken to identify suitable projects that could have a positive impact on the livelihood of the communities. The local authorities opted for community-owned projects that would complement their efforts to improve infrastructure in their respective villages. Specifically, the following projects were completed:

- Refurbishment of the sport hall, bathrooms and playground of Kasakh's municipal kindergarden
- Furnishment (gas stoves and furniture) of 20 kitchens of the Kasakh Social House, constructed by UNHCR for refugee families
- Construction of a purpose-specific garage in Pambak for agricultural machines, which were provided by UNDP
- Renovation of drinking water pipeline in Geghamasar community.

Output 2.6 - Biogas component

- In January 2011 the UNIDO project manager visited Armenia, the targeted biogas project sites and the communities' representatives for both Geghamasar and Pambak, as well as relevant Ministries' officials (incl. Ministry of Energy and Natural Resources, Ministry of Nature Protection, Ministry of Agriculture) and UN partners;
- In March 2011 the Tender was launched for the supply of the biogas equipment for 3 installations (one community-based system for Geghamasar, 2 household-based for Pambak) and provision of training, operation and maintenance, as well as the local civil works – the deadline for this Tender was 11 April, and just one bid was received, from Chinese company Puxin; The business model of the bidder and proposed approach for this project consists of the supply of the equipment and training at the bidder's premises for local staff to install, operate and

maintain the system. This implies that the system will be installed, operated and maintained by the end user. It further implies that the bidder will not carry out or take responsibility for the local civil works. This business model has been applied by the bidder in a number of reference projects over the past 8 years.

- Despite a number of shortcomings in fully complying with the requirements in the Terms of Reference (ToRs) - mainly related to the specific business model of the bidder as mentioned above - UNIDO extensively investigated the possibility to negotiate with the sole bidder in order to be able to reach an agreement. Yet ultimately it proved impossible to continue the evaluation and awarding process with the sole bidder within UNIDO Procurement rules due to the high divergence between the ToRs' requirements and the proposal of the bidder.
- The low response to the Tender was due to the market for the goods and services (small biogas plants) being relatively small, the project area being remote and local conditions not without risk to international companies, and finally the budget available for the equipment is low;
- Once the decision was taken by UNIDO's Procurement Committee that the sole bidder could not be awarded the contract, a new Tender was prepared and launched, taking into account the lessons learned of the first Tender, i.e. most notably it is anticipated that the foreign technology supplier will not take responsibility for the local works and maintenance, therefore the current Tender (for equipment supply) will be complemented with a tender for local works (including civil works, transformer, grid connection, transport from port to site).
- The Tender for equipment supply is currently running (deadline 5 October), while the Local Tender is being prepared for launching later this year, subject to approval of the extension;
- Technical training and study tour to Shenzhen, China for Armenian counterparts, i.e. Armenian civil engineer, technical supervisor and Chairperson of the Geghamasar Community Development Foundation was organized by the equipment manufacturer. Work plan relating to the equipment installation and detailed designs, including necessary "as built" drawings, design parameters, etc. was updated.
- The equipment, with the auxiliary supplies and materials required for the construction, installation and operation of the biogas plants in Pambak and Geghamasar communities were procured from PUXIN company (Shenzhen, China) and shipped to Armenia at the end of October. The supplied equipment corresponded to the requirements detailed in the specification.
- Environmental Impact Assessment Report was developed and received positive conclusion of the authorized body, i.e. Ministry of Nature Protection, for the construction and operation of the Biogas Plant. The report concluded that the impact of the possible harmful substances and other factors during the construction and operation of the biogas systems are restricted to the area of the plant and do not exceed the permissible sanitary norms even within its borders.
- Construction of the Geghamasar Biogas Plant is in progress.
- Construction of two small-scale biogas units is completed in Pambak community.
- Installation and commissioning is planned to take place in April-May 2013.
- The overall budget constraint for successfully completing the biogas component is being addressed through securing additional funding, i.e. partly through the other UNIDO component (the SME Supporting Fund) - which is deemed justifiable since the subject of the tender are exactly the local community works - and

partly through UNDP's Small Grants Programme. The confirmation of this funding is expected shortly.

Operation of biogas plants allows solve several tasks unanimously: production of gas, electric and thermal energy, processing of agricultural wastes, production of high quality fertilizers. These types of fertilizers are also used as valuable additions to animal food. Energy from biomass is renewable energy source.

UNFPA – The sub-project focuses on the provision of basic health services delivered by trained healthcare providers in adequately equipped health facilities targeting mostly youth and women to the benefit of the whole communities and their surroundings.

UNFPA achieved all planned outputs for the entire project, which was reported during the previous reporting periods. Follow-up monitoring visits were conducted to the implementation sites to provide timely and accurate evidence on compliance, changes (if any) in the situation of the target population groups, as well as on possible important changes in the environment that might affect the programme towards the intended results. As a result, it was confirmed that interventions have contributed to the planned results and the targeted and adjacent communities in Gegharkunik and Kotayk regions have benefited from increased access to services primarily in the areas of sexual and reproductive health (SRH) and maternal health in renovated and well-equipped facilities and served by capacitated health workforce, increased access to youth-friendly health services (YFHS), improved access to traveling gynecologist team (TGT), antenatal care and services, sensitization on various topics related to safe motherhood. Local ownership and participation of communities in the sub-activities have been critical for the success of UNFPA interventions. All the interventions are in line with the Armenian National Strategy on Reproductive Health, “National Strategy on Child and Adolescent Health and Development” and the current national priorities. Regular monitoring visits were conducted during the reporting period.

UNICEF – The sub-project provides basic health care services including immunization, management of common childhood illnesses, monitoring of child growth and development, antenatal, intranatal and neonatal care delivered by trained healthcare providers in adequately equipped health facilities. In addition, sub-project improves the learning environment and establishes parental education centres.

UNICEF has achieved all intended outputs for the entire project. Through strengthening of community based health care services, UNICEF has ensured that children and women of targeted as well neighbouring communities have increased and equal access to basic Mother and Child Health and Nutrition services. Capacities of primary and hospital health providers have been increased on different aspects of children's health, nutrition and development, and they are now able to manage common childhood illnesses at community level and monitor child's growth and development by using standardized approaches and algorithms. Through establishment of parental educational centres in primary healthcare facilities of all the communities involved, UNICEF has ensured that parents and caretakers receive comprehensive information on child health, growth, and nutrition. Thus, they are able to provide necessary home care to children, to recognize dangerous signs of common childhood diseases and apply to healthcare providers at the earliest stage of diseases. Taking into consideration the increasing importance of neonatal mortality (in Armenia, more than 75% of all infant deaths are registered in neonatal period), particular emphasis has been put on strengthening of neonatal care services: Intensive Neonatal Care Units were established in Vardenis, Chambarak, and Yeghvard maternities and staff of these health facilities have been

trained on standardized INC approaches. This ensured improved access for all newborn of these regions, including those of targeted communities, to quality neonatal services and reduced the number of unnecessary referrals to tertiary level facilities. Effective collaboration with the Ministry of Health and local health authorities, doubled with the active participation and ownership of the local health staff were essential in ensuring successful implementation of UNICEF supported sub-project. It is important to stress also that all interventions are based on the “National Strategy on Young Child and Adolescent Health and Development”, approved by the Government of Armenia in 2009.

- Regular monitoring visits were conducted during the reporting period to all project sites to assess the progress and support local staff in practical implementation of new methodologies and skills.

Progress towards the achievement of the outputs

Outputs	Objectively verifiable indicators	Progress (Final year)	Recommendations/Comments
UNHCR			
Output 1.1 By the end of the project social housing units for some 50 socially vulnerable and disadvantaged families will have been completed and sheltered.	The social housing units for some 50 socially vulnerable and disadvantaged families will have been completed and beneficiaries sheltered.	Completed in May 2012. As indicated in previous pages required funding from UNTFHS was only enough to construct 20 social houses.	The number of housing units was reduced to 20 because of the sharp increase in construction and labour cost between the time the project proposal was prepared and when it was approved by UNTFHS.
<u>Activity 1.1.1</u> Prepare and sign an agreement with local government on allocation of identified incomplete building	Agreement with local government on allocation of identified incomplete building is signed	Completed in 2009	
<u>Activity 1.1.2</u> Prepare technical assessment and drawings design.	Technical assessment is conducted and drawings design is prepared.	Completed in 2009	
<u>Activity 1.1.3</u> Identify and select a specialized construction company.	Specialized construction company is selected.	Completed in 2009	
<u>Activity 1.1.4</u> Complete the construction/ renovation of the building through involvement of public work.	Construction/renovation of the building is completed.	Completed in 2010.	The construction/renovation process as such was completed in 2010. However due to additional strengthening works required, the building was fully handed over in May 2012 and as of 1 June 2012 all beneficiaries moved in.
<u>Activity 1.1.5</u> Implement community project for upgrading of existing infrastructure (sewerage, water, gas and electricity, communication lines, health post).	Six Community projects for upgrading of existing infrastructure are implemented.	Completed in 2010.	
UNDP			
Output 2.1 By end of the second year of the project, the capacity of local government in three communities for strategic planning and implementation is increased.	Planning and implementation capacity of 3 Municipalities is increased.	Completed in 2010.	The capacity of the targeted 2 communities in the field of planning and implementation will further increase once the implementation of the priorities mentioned in the Strategic Plan will be progressed and once the Performance Budgeting methodology will be run for one fiscal year cycle.
<u>Activity 2.1.1</u> Prepare and sign a Cooperation Agreement with local government, community leadership, UN Agencies and civil society in each community.	3 Multiparty Cooperation Agreements signed with local government, community leadership, UN Agencies and civil society.	Completed in 2010.	

<u>Activity 2.1.2</u> Prepare Participatory Strategic Community Development Plans for each community/cluster communities.	3 Participatory Strategic Community Development Plans elaborated.	Completed in 2010.	
<u>Activity 2.1.3</u> Introduce Performance Budgeting governance methodology in strategic planning process for target communities.	Performance Budgeting governance methodology introduced in the 3 target communities.	Completed in 2010.	
Output 2.2 By end of the project, 700 vulnerable households will have improved skills for income generation activities and increased opportunities for start-up businesses.	Skills for income generation activities and opportunities for business start-up are increased.	Completed in 2010.	145 cows, 100 tonnes of seeds, 62 tonnes of fertilizers, 6,000 fruit tree seedlings, equipment/machinery (Tractor T150, Tractor MTZ, 2 ploughs, grain seeder, bailer, cultivator, and a grain combine harvester) were procured and distributed.
<u>Activity 2.2.1</u> Identify and select the target families, identify their skills and needs.	683 poor/vulnerable households selected and their skills and needs identified.	Completed in 2010.	
<u>Activity 2.2.2</u> In parallel conduct market research and feasibility study of the geographic area and relevant surveys aimed to identify income-generation activities.	3 feasibility studies are conducted to identify income-generation activities in the targeted areas.	Completed in 2010.	
<u>Activity 2.2.3</u> Forming of relevant groups as per the identified income-generation activity.	9 relevant groups formed as per the identified income-generation activity.	Completed in 2010.	
<u>Activity 2.2.4</u> Identify and provide vocational trainings on farming production cycle procedure to the beneficiaries.	9 vocational trainings provided on farming production cycle procedure to the beneficiaries.	Completed in 2010.	
<u>Activity 2.2.5</u> In parallel procure needed agricultural equipment and production means.	Agricultural equipment and production means are procured.	Major part of the activity completed in 2010. The distribution of 6,000 fruit tree seedlings was finalized in April 2011.	
Output 2.3 By end of the project 700 vulnerable households are fully integrated into the community based organizations.	700 vulnerable households are integrated in the CBOs.	Completed in 2010.	The project encouraged the involvement of the beneficiaries into the community-based organizations and provided support in their operation and monitoring.
<u>Activity 2.3.1</u> Support setting up a board with the involvement of most active members in each target community.	3 officially registered CBOs established.	Completed in 2010.	

<p>Activity 2.3.2 Encourage involvement of the beneficiaries into the community-based organizations, in particular, women's organizations and networks, Farmers' Associations, etc.</p>	<p>3 community mobilization campaigns organized to encourage beneficiaries' involvement into the community-based organizations.</p>	<p>Completed in 2010.</p>	
<p>UNIDO</p>			
<p>Output 2.4 By the end of the project implementation, 200 start-up entrepreneurs have improved competencies and business management and marketing skills.</p>	<p>200 start-up businesses trained. 100 business plans developed.</p>	<p>Completed</p>	<p>It was followed by a series of in-country study tours for 55 prospective entrepreneurs.</p>
<p>Activity 2.4.5 Provide 5-day trainings on entrepreneurship and business skills development, including business and financial planning, marketing, etc. Assist participants in developing business plans through individual consulting sessions and provide counselling support to the beneficiaries during first six months of launching businesses</p>	<p>12 trainings provided on entrepreneurship, business management and marketing, 200 start-up entrepreneurs are trained; 100 business plans developed</p>	<p>As per TORs, the successful IP will provide prospective borrowers with inception seminars and training as well as borrowers with free advice--as required--during the seven year life period of the SME Supporting Fund.</p>	<p>In line with the actual needs of local communities, business training was conducted for 103 interested prospective entrepreneurs. Moreover, the IP of the SME-supporting Fund has educated some 148 prospective entrepreneurs on banking, registration and taxation issues related to businesses. As enhancement of business competencies is an on-going process. ECLOF will continue to provide counselling on lending and business regulations to prospective and current borrowers throughout the duration of the SME-Supporting Fund (7 years). As the first series of in-country study tours Exposure to successful businesses in other marzes represents a hands-on form of training that can further enhance the business acumen of prospective entrepreneurs. See recommendation for activity 2.4.6</p>
<p>Activity 2.4.6 Identify successful businesses in relevant sub-sectors in other administrative regions and organize short-term internship for the project beneficiaries.</p>	<p>Internships organised and networks established between clusters. - Loans have been provided to new and existing small businesses through ECLOF business consultancy: - 17 seminars have been conducted in six communities - 34 applicants (10 female) submitted business plans for loan request. All the business plans were approved. - 5 new services established, 5 new productions and 3 businesses developed, 5 new B&B services established, 3 new retail shops, 13 businesses upgraded. - 34 applicants were given an opportunity to create 36 additional jobs for their businesses.</p>	<p>Completed. During the project life 6 study tours (3 in 2010 and 3 in 2012) were organised and 55 newly established businesses had opportunities to visit successful business in other regions of Armenia.</p>	<p>Participants expressed their willingness that the successful practice introduced by this project in organizing in-country study tours for start ups to most successful and thriving businesses in other regions of the country, be continued and replicated by other projects</p>

<p>Output 2.5 By the end of the first year of the project implementation, SME-supporting Fund is established and opportunities for lending are increased for start-up businesses in the target communities.</p>	<p>SME-supporting Fund established and opportunities for lending increased for start-up businesses in the target communities.</p>	<p>Completed The SME -supporting Revolving Fund was launched in October 2011. It will continue to operate until 2018</p>	
<p>Activity 2.5.1 Develop Terms of Reference for SME-supporting Fund management.</p>	<p>Terms of Reference for SME-supporting Fund management developed.</p>	<p>Completed in 2010.</p>	<p>A note on the implementation arrangement for the Loan Scheme was prepared and sent to OCHA with the budget revision which was approved by OCHA in December 2010.</p>
<p>Activity 2.5.2 Organize and conduct a tender among MFIs, business support organizations and/or UCOs.</p>	<p>Tender among MFIs and UCOs conducted.</p>	<p>Completed Following OCHA's approval of the proposed implementation arrangements for the loan scheme (December 2010), a two-tier bidding process was conducted (Call for EOI launched in December 2010 and Request for Proposals in March 2011)</p>	
<p>Activity 2.5.3 Select and contract the MFI/business support organization/UCO for SME-supporting Fund management, and start lending activities; provide start-up loans for 100 businesses in two years.</p>	<p>100 businesses received start-up loans (average \$5,000) in two years, from which 40 start-ups during the first year, and 60 start-ups during the second year of operation.</p>	<p>Completed IP for SME Supporting Fund was selected and the Fund launched in October 2011.</p>	<p>The indicator of 100 businesses should be considered as indicative. The actual number will depend on the viability of the business plans as assessed by the IP. However, given the fact that the SME Supporting Fund will operate for seven years, it is likely that the target of 100 loans will be achieved, if not surpassed.</p>
<p>Activity 2.5.4 In cooperation with local authorities develop guidelines and procedures for re-investing part of the revenue received from SME-supporting Fund into implementation of community-owned programmes.</p>	<p>Guidelines and procedures for reinvesting part of SME-supporting Fund revenue into community-owned programmes are developed and adopted.</p>	<p>Not applicable.</p>	<p>As per Note to OCHA on implementation arrangements for the loan scheme, it was agreed that: community-based programmes (for a total amount not exceeding USD 150,000) will be financed directly from the second instalment of project funds.</p>
<p>Activity 2.5.5 Support community-owned programmes through re-investing part of revenue from SME-supporting Fund for the implementation of such programmes in cooperation with local authorities.</p>	<p>Up to 30% of revolving funds reinvested for implementation of community-owned projects.</p>	<p>Completed. 4 community development projects. See activities 2.5.5.1-2.5.5.4 below</p>	<p>See comment on activity 2.5.4 above The counterpart (MTA) stressed the importance of assisting the communities of Geghamasar and Pambak as they are more disadvantaged than the one in Kasakh. All three target communities opted to use the funds for infrastructure of community facilities.</p>
<p>Activity 2.5.5.1 Refurbishment of the sports hall and playground and installation of the game sets for the children of the Kasakh community kindergarten in Kotayk marz .</p>		<p>Completed</p>	<p>Kasakh Kindergarten sport hall and playground area are fully renovated, with new game facilities to strengthen children's physiques and stimulate their mental abilities.</p>

<p>Activity 2.5.5.2 Furnishment (furniture and gas stoves) of 20 kitchens for refugees in the Social Houses of Kasakh community, Kotayk marz</p>		Completed	Kitchens of 20 apartments of the Kasakh Social House for vulnerable and displaced families were furnished and equipped with gas stoves (brand "SIMFER") to create comfortable housing conditions.
<p>Activity 2.5.5.3 Construction of the garage for agricultural machinery in Pambak village, Gegharkunik Marz.</p>		Completed	According to contractual arrangements, construction works at the site were to be completed by 30 September but, due to heavy rains in mid-September, they were suspended for a few days. Progress fell slightly behind schedule. However, the Contractor was able to complete construction of the garage by October 2012.
<p>Activity 2.5.5.4 Renovation of Geghamasar's water pipelines (km4) to supply 40 households, the village school, the ambulatory and the newly constructed biogas plant.</p>		Completed	Since Geghamasar community had a huge necessity for new water pipelines for basic and adequate water supply, local authorities expressed a wish to share collaborative efforts with UNIDO and took the financial responsibility to carry out the assembling of pipes purchased by UNIDO and install pipeline by providing the required working staff. In the course of the works, two new water sources were found. Following the engineering assessments, it was decided to connect the newly-discovered sources to the recently installed pipelines. Therefore, the community strengthened its forces and excavated a trench of 150 m length, which helped to upgrade the efficiency of the water pipelines and increase the volume of water supply up to 15% in the targeted area.
<p>Output 2.6 By the end of the project, population of Pambak and Geghamasar communities, have increased access to diversified energy services.</p>	Two biogas units established in selected communities and options of utilization of produced energy for heating or electricity production and by-products identified.	(please see progress under the single activities below)	
<p>Activity 2.6.1 Carry out needs assessment in two selected communities to determine potential of locally available resources, extent and kind of energy services needed, relevant renewable energy resources accessible for productive uses.</p>	Locally available resources and relevant renewable technologies, (e.g. bioenergy, solar, etc.) resources accessible for productive uses, identified.	Completed in 2010	
<p>Activity 2.6.2 Develop main and alternative options of renewable energy (RE) production, taking into account possible involvement of community members, i.e. establishment of community support groups, to promote biogas production through the joint collection of manure, biomass and organic waste.</p>	Main and alternative options of renewable energy (RE) production including manure, biomass and organic waste collection schemes identified.	Completed in 2010	2 Biogas support groups in Pambak and Geghamasar formed and consulted on the models of the operation of biogas units in Pambak and community-based biogas plant in Geghamasar.

<p>Activity 2.6.3 Develop and discuss options of utilisation of produced energy and by-products (fertiliser) for heat or electricity.</p>	<p>Options of utilisation of produced energy and by-products identified and approved by community members.</p>	<p>Family-based 2 biogas plant: production for heating and cooking for 4 families in Pambak village; Community-based biogas plant: Option a) direct heat production and use for school, Option b) generation of electricity on-site and sale to the grid</p>	<p>Site visits and discussions with host families show strong commitment of the family heads to run the biogas plant. The community-based biogas plant in Geghamasar is not expected to be sustainable without the revenue from electricity sales (electricity production from biogas and its sale to the grid receives favourable feed-in tariff), therefore the electricity generation is taken up in the scope of the Tender for the equipment. The overall budgetary impact will be mitigated through additional budget currently being identified and secured from other sources (e.g. UNDP Small Grants Programme). The household-based biogas plants in Pambak will remain for heat production only, given their small-size.</p>
<p>Activity 2.6.4 Establish 2 pilot RE demonstration units in Pambak and Geghamasar communities using local resources for providing reliable and affordable energy services and linking with productive uses for income generation activities.</p>	<p>2 Pilot demonstration units based on renewable energy systems in Pambak and Geghamasar communities for providing reliable and affordable energy services using local resources, and linking with productive uses for income generation activities.</p>	<p>a. Construction of two small-scale biogas units in Pambak community is completed in 2012. b. Construction of the Geghamasar biogas plant is in progress.</p>	<p>Installation and commissioning of biogas systems in both communities are planned for April-May 2013.</p>
<p>Activity 2.6.5 Organise training and capacity building for local communities on operational and maintenance of RE systems.</p>	<p>Reduction in use of firewood and manure by households in the area.</p>	<p>Capacity building study tour and technical training re operation and maintenance of RE systems were organized by the equipment manufacturer in Shenzhen, China for Armenian counterparts, i.e. Armenian civil engineer, technical supervisor and Chairperson of the Geghamasar Community Development Foundation.</p>	
<p>Activity 2.6.6 Organise technical monitoring of RE units, by recording technological data and conducting chemical analysis of by-products.</p>	<p>Weekly technical monitoring of biogas units organised, recording technological data and conducting chemical analysis of by-products.</p>	<p>Planned for 2013-2014</p>	<p>Technical monitoring of biogas systems will be launched after the Installation and commissioning of biogas systems supported by development partners.</p>
<p>UNFPA</p>			
<p>Output 2.7 By the end of the project 95% of population in selected administrative regions benefit from client friendly health services provided by trained health care providers in equipped and renovated HCFs.</p>	<ul style="list-style-type: none"> - # and % of trained healthcare providers; - # and % of HCFs provided with essential medical equipment, drugs, supplies; - % community members who use and are satisfied with the quality of health services 	<p>Completed in 2010.</p>	

<u>Activity 2.7.1</u> Improving health facility infrastructure, provision of medical equipment.	3 PHC facilities in selected regions are renovated and provided with medical equipment.	Completed in 2010.	
<u>Activity 2.7.2</u> Setting up Travelling Gynaecological Teams (TGT) in two regions.	2 TGTs operate on equipped vehicles for field medical visits and check-ups.	Completed in 2010.	
<u>Activity 2.7.3</u> Training of various groups and health care providers (family doctors, paediatricians, OB/GYNs, nurses, school nurses, laboratory assistant, health professionals, duty-bearers, TGT team members, Youth Centres staff, community leaders, teachers, men and women of reproductive age).	22 health care providers, 10 health administrators, 24 TGT team members, 4 Youth centers staff, and 120 community members are trained and demonstrate increased knowledge on training subjects.	Completed in 2010.	
<u>Activity 2.7.4</u> Establishment Youth Centre in Kasakh community.	Youth Centre is established, furnished and functioning.	Completed in 2010.	
UNICEF			
Output 2.7 By the end of the project 95% of population in selected administrative regions benefit from client friendly health services provided by trained health care providers in equipped and renovated HCFs.	# and % of trained healthcare providers; # and % of HCFs provided with essential medical equipment, drugs, supplies; # and % of HCFs where follow-up visits are conducted; # and % of neonatal care departments provided with basic supplies and equipment, including oxygen concentrators % of community members who use and are satisfied with the quality of health services # and % of primary HCFs with established/functioning parental education centres.	Completed in 2010.	
<u>Activity 2.7.5</u> Strengthen capacity of 80% of PHC workers (family doctors, paediatricians and nurses) through organization of trainings on different MCH topics.	60 family doctors, paediatricians and nurses trained in child health.	Completed in 2010	
<u>Activity 2.7.6</u> Provision target PHC facilities with basic medical supplies and equipment.	5 PHC equipped with basic medical supplies and equipment.	Completed in 2010.	
<u>Activity 2.7.7</u> Establishment of parental education centres in PHC facilities of all the communities.	5 parental education centres established in the supported PHC facilities.	Completed in 2010	

<u>Activity 2.7.8</u> Printing and distribution of parental education materials.	5,000 copies of parental education materials printed and distributed.	Completed in 2010.	
<u>Activity 2.7.9</u> Training of neonatologists, ob/gyns and nurses on Intensive Neonatal Care, Making Pregnancy Safer and Baby Friendly Hospital Initiative.	50 HCP trained in Intensive Neonatal Care, Making Pregnancy Safer and Baby Friendly Hospital Initiative.	Completed in 2010	
<u>Activity 2.7.10</u> Training of HCPs on youth friendly approaches, prevention of HIV/AIDS/STIs, SRH.	60 healthcare providers trained in provision of client friendly services	Completed in 2010	
<u>Activity 2.7.11</u> Provide neonatal departments of selected regions with basic supplies and medicines (including oxygen concentrator).	Neonatal departments of 4 facilities provided with basic supplies and medicines.	Intensive Neonatal Care Units are established in Chambarak health centre of Gegharkunik marz, and in Yeghvard maternity of Kotayk marz (with provision of all necessary equipment). This activity is completed.	
Output 2.8 By the end of the project healthy life style lessons are in use in three schools with improved infrastructure and 30 peer educators have knowledge and skills to provide counselling on HLS, including HIV/AIDS to their peers in selected communities.	# of schools with improved infrastructure, # and % of trained school teachers and administrators, # and % of trained peer educators.	Completed in 2010.	
<u>Activity 2.8.1</u> In each selected community, one school will be identified to improve the school infrastructure through provision of furniture, computers, and audiovisual equipment.	3 schools in selected communities have improved infrastructure and environment that encourages a healthy life style.	Completed in 2009.	
<u>Activity 2.8.2</u> Administrations of three schools will be supported to roll-out HLS for the 8-9 grade students.	At least 50% teachers of mainstream schools and school administration demonstrate improved capacity on methodology of introduction of the HLS course (in 2 regions, three schools).	Completed in 2010	
<u>Activity 2.8.3</u> In each selected school 30 Peer educators will be identified and taught the ToT course on HIV Peer Education and Child Rights.	90 Peer educators are ready to deliver peer education sessions on HIV/AIDS and child rights in three schools.	Completed in 2010.	

Implementation constraints

UNHCR:

The flooring of the corridors and inside the rooms were not completed due to shortage of funds from the UNTFHS project budget. Whilst attempting to secure extra funding for the uncompleted works, in November 2010, structural defects were identified in the building and as a result of which occupancy of the building was delayed. Following a series of engineering and construction assessments it was deemed that the structural integrity of the building needed reinforcement. The additional cost for strengthening works, flooring and installation of heating system amounted to USD 188,145.

UNDP:

Some of the communities' needs, assessed by UNDP at the proposal preparation phase, were changed due to the time lag between the project proposal's initial submission and final approval of the project. In this regard, UNDP restructured some of the sub-activities in order to meet the changes in those needs, however, without making any changes in the initially approved objectives or outputs.

After establishment of Community Development Funds in Geghamasar and Pambak communities, UNDP faced difficulties in finding experienced and knowledgeable specialists for the positions of accountant and Fund Director. The issue was resolved by involving corresponding specialists from the neighbouring communities.

UNIDO:

SME component

SME Supporting Fund: The definition of the implementation arrangements for the operation of the SME-supporting Revolving Fund as well as the competitive selection of a qualified loan operator (that is, the IP) proved to be rather complex and took more time than envisaged. Moreover, since the target community of Geghamasar and Pambak are small, economic opportunities limited and local entrepreneurial experience weak, loan disbursements have progressed at a slower pace than initially envisaged. In order to allow enough time for the SME-supporting Fund to have a positive impact on the economic development of the project communities, especially in the less economically advantaged Gegharkunik marz, ECLOF will operate the credit facility for seven year, until October 2018, continue to sensitize local entrepreneurs through regular awareness seminars and expand its geographical coverage to include neighbouring remote rural communities in the Gegharkunik marz.

Biogas component

During the reporting period, monthly field visits were undertaken to Geghamasar and Pambak villages by the Head of UNIDO Operations in Armenia, UNIDO Project Manager and national expert on renewable energy. The main constrains were:

- 1) Severe difficulty in identifying and contracting international technology supplier who can deliver turnkey systems. This can be attributed to the market for the goods and services (small biogas plants) being relatively small, the project area being remote and local conditions not without risk to international companies. This issue is being addressed through the launch of 2 tenders, one for the equipment supply and a second one for the remaining works to complement the equipment and services provided by the first one. The tender for equipment supply is currently running; the technical specifications of the complementary local tender will be finalised and launched based on the outcome of the first tender, thus allowing for sufficient flexibility to respond to the specificity of the market conditions;

2) The budget available for the equipment is low, and additional costs are expected (e.g. the electricity generation requires a generator, grid connection, transformer, etc. and also the local civil works are estimated higher than was initially assumed in the project budget). This problem will be addressed through identifying and securing additional budget from other sources, including UNDP's SGP. The SGP application is currently being finalised and will be submitted shortly. It might be the case that the community decides to consider it as a community-owned project. Final solution will depend on the outcome of the Tenders, and the respective budgetary impact they entail.

Lessons learnt

Within UNIDO's projects, implementation revealed that a credit facility to operate successfully requires a reservoir of potential business ideas, which in turn, require entrepreneurial people. In less economically advantaged areas--such as the rural communities of the Gegharkunik marz--generation of business ideas in manufacturing will require time to develop. Of 21 loans disbursed in that marz, only three were related to establishment of new businesses in manufacturing (slippers, animal feed milling, bread production).

In addition, the project has also revealed that entrepreneurship exists at all levels, irrespective of gender and age. But, women and young adults are less likely to pursue this career path. Only one young woman and two young man accessed credit to start-up new businesses, which compares with 15 middle-aged women and men (between 40 and 55 years of age). Economic and social conditions might be responsible for this skewed age distribution of entrepreneurship. However, cultural factors may also be influencing negatively the propensity of young people to start businesses.

During the first round of implementation it was clear that biogas plant in Pambak is possible to establish only at family/sub-community level due to infrastructural difficulties of collecting the manure, and also low interest from the whole community towards this technology. Geghamasar community was in favor for the community-based biogas plant, however, the management model of the plant, including collection of the manure, technical maintenance and post-project sustainability are critical to be addressed before the construction of the plant.

Percentage of budgeted funds actually spent (as of 30 September 2012)

UN Agencies	UNHCR	UNDP	UNIDO ¹	UNFPA	UNICEF
%	93	100	100	100	100

Impact of key partnerships and inter-agency collaboration

This joint programme was designed and implemented with active national stakeholder involvement through comprehensive and inclusive discussions. The activities towards common results were harmonized and ensured complementarities with participating UN agencies and other development partners.

Impact of project on women, girls, boys and men respectively

The selected beneficiaries for the UNHCR social housing scheme consist of 30 women and 15 men. In addition, the selection committee prioritised women-headed refugee households among the

¹ In addition, UNIDO provided some USD 90,000 from its own resources to complete the construction of biogas plant in Geghamasar.

beneficiary groups. Consequently, five women-headed families out of 14 families were chosen. Furthermore, UNHCR has chosen some older refugees to ensure the basic needs and housing rights of this particularly vulnerable group.

In order to ensure gender equality and to give equal income generating opportunities for women and men, through its intervention, UNDP targeted the total residents of Pambak, Geghamasar and Daranak communities (282 households). Meanwhile, during the course of project implementation preferences were given to vulnerable households, i.e. women headed households and households with three and more children in using the agriculture equipment. More than 60% of the project beneficiaries were women. Women are involved in decision making process as members of the Board of Trustees in the Community Development Funds of Pambak and Geghamasar. 10 women have permanent employment in Pambak kindergarten which is maintained with the resources of the Community Development Fund established within the framework of the project.

In UNIDO's training component, 103 persons have been trained. Out of the total, 36 (35%) were women. Out of the total, 28 (27%) were between 21 and 30 years old, 51 (50%) between 31 and 50 and 24 (23%) above. As to the first year of loans disbursement, nearly 28 percent were female borrowers and nearly 24 percent were between 25-39 years of age.

The UNFPA interventions utilized gender-sensitive and culturally sensitive approaches, however by the nature of the activities they mostly targeted women, especially vulnerable women and girls, and those living in remote areas and having difficulties in accessing the SRH services.

Section IV: Forthcoming annual work-plan

Not applicable.

Section V: Resources and financial implementation

Total approved budget and summary of resources available to the project

(USD)

	2009-2011	2012	Total	(A)	(B)	(C)	(A)	(B)	(C)	(A)	(B)	(C)	(A)	(B)	(C)
	(A)	(B)	(C)=(A)+(B)												
	UNHCR			UNDP			UNIDO			UNFPA			UNICEF		
Total approved programme costs (I)	713,000	0	713,000	509,500	0	509,500	822,500	0	822,500	94,000	0	94,000	120,000	0	120,000
Programme costs received to date (II)	713,000	0	713,000	509,500	0	509,500	822,500	0	822,500	94,000	0	94,000	120,000	0	120,000
Total approved PSC (III)	49,910	0	49,910	35,665	0	35,665	57,575	0	57,575	6,580	0	6,580	8,400	0	8,400
PSC received to date (IV)	49,910	0	49,910	35,665	0	35,665	57,575	0	57,575	6,580	0	6,580	8,400	0	8,400
Total funds received to date (V)	762,910	0	762,910	545,165	0	545,165	880,075	0	880,075	100,580	0	100,580	128,400	0	128,400
Total approved budget (VI = I+III)	762,910	0	762,910	545,165	0	545,165	880,075	0	880,075	100,580	0	100,580	128,400	0	128,400
Estimated total expenditure (VII)	708,514	0	708,514	545,165	0	545,165	536,841	339,315	876,156	100,856	0	100,871	128,400	0	128,400
Balance (VIII = V-VII)	54,396.25	0	54,396.25	0	0	0	343,235	3,920	3,920	(276.98)	0	(276.98)	0	0	0
Expenditure vs funds received (IX = VII/V)	93%	N/A	93%	100%	N/A	100%	61%	38.6%	99.6%	100.28%	N/A	100.28%	100%	N/A	100%

Section VI: Promotional activities

During the project implementation period Agencies undertook a number of joint visits to project sites, which was widely covered by media and a photo exhibition was organised in that regard in the UN House. In addition a short movie was prepared to highlight the progress under the UNTFHS project. The promotional materials used in this project have been replicated for community meetings under the UNFPA Strengthening Reproductive Health Project.

A package of visibility materials that included photos from all project sites and short movie were shared with OCHA in May 2012 as follows:

UNHCR:

- Photographs
- Human story, which reports on the benefits of the Community Technology Access (CTA) programme implemented by UNHCR as part of the Kasakh social housing scheme.
- Short film on Kasakh social housing

UNICEF:

- Photographs

UNFPA:

- Photographs

UNDP:

- Photographs
- Newsletter which featured on the UNDP Armenia Quarterly Electronic Newsletter on 4 April 2011.

UNIDO:

- Photographs
- Summary of Project Results

Annex : Final Assessment Form

PART 1: BASIC PROJECT INFORMATION

Project title:	Sustainable Livelihood for Socially Vulnerable Refugees, Internally Displaced and Local Families
Project Number:	HCR-EE-08-065
Country and Region:	Armenia, Kotayk and Gegharkunik regions
Lead UN Organization:	UNHCR
Other implementing UN Organizations:	UNDP, UNICEF, UNIDO and UNFPA
Non-UN implementing partners:	Armenian Centre for Health and Education (ACHE), Armenian Social Investment Fund (ASIF), Young Men's Christian Association (YMCA)/Shelter NGO, State Migration Service (SMS) of the Ministry of Territorial Administration, Municipality of Kasakh village, Municipality of Pampak village, Municipality of Geghamasar village, Municipality of Daranak village, Pambak Community Development Fund, Geghamasar Community Development Fund, Governor's Office of Gegharkunik Region, the Ministry of Territorial Administration of RoA, Ministry of Energy, State Commission of Public Services, Technical Companies for biogas design and construction (selection process), loan operator (by bidding process), Ministry of Territorial Administration, Ministry of Health, Republican Institute of Reproductive Health, Perinatology, Obstetrics and Gynecology, Ministry of Education, Local Health Authorities, Local Education Authorities
Project start date:	1 April 2009
Project completion date:	30 September 2012
Originally planned:	30 September 2011
Actual:	30 September 2012
Extensions:	01 October 2011 – 30 September 2012
Total budget:	2,417,130 USD
Project description:	The overall purpose of the project was to assist socially vulnerable families by providing social housing; access to income generation activities and diversified energy services; enhancing their living conditions, health care services and educational opportunities; capacity-building of direct beneficiaries and self-government bodies through provision of required training.
Main objectives:	<ul style="list-style-type: none"> • Increased access to suitable accommodation in Kasakh community for the socially vulnerable and disadvantaged families by remodelling a former factory building into social housing units; • Improved living standards in Kasakh, Geghamasar and Pambak communities for socially vulnerable families by creating sustainable income-generating opportunities.

PART II: NUMERICAL RATING

Rate the relevance and performance of the project, using the following scale:

1 – Excellent 2 – Good 3 – Satisfactory 4 – Unsatisfactory 5 – Not applicable 6 – Insufficient information

Rating Criteria	Rating
RELEVANCE:	
1. Has the project proven to be as relevant as originally envisaged?	2
Comments: The vulnerabilities identified in the project sites have been used as baseline for the targeted interventions and have proven relevant during the implementation.	
EFFECTIVENESS:	
2. Were the project's main objectives achieved in keeping with the original activities, outputs and performance indicators?	2
Comments: The objectives were achieved and exceeded the targets set for some interventions.	
3. How would you assess the effectiveness of the management and administrative arrangements employed to implement the project?	2
Comments: The arrangements proved effective and appropriate in particular for building relational capacities, such as increasing performance within a broader institutional context, promoting intra-governmental coordination arrangements, and promoting leadership capacities and capacities for communication and outreach to ensure transparency and client responsiveness.	
4. How effectively did the project partners collaborate? (Elaborate what, if any, were the major challenges)	2
Comments: For the effective partnership it was critical to plan together and formulate sound and effective strategies, particularly for capacity development. The identification of priorities to be addressed by the interventions together with main national actors responsible for implementation, UN partners and local partners contributed to the effectiveness.	
EFFICIENCY:	
5. Were the anticipated outputs generated on time and within the budget, as specified in the work plan and implementation schedule? (if certain outputs were not achieved, elaborate briefly the reasons)	1
Comments: For some interventions the set targets were actually exceeded.	
IMPACT :	
6. How would you rate the overall performance and impact of the project?	1
Comments: It is yet too early to address the impact of the overall project. The impact is far-reaching for some interventions	

7. If appropriate, were the communications and public/media outreach components of the project effectively implemented? To what extent were the project's achievements disseminated to benefit wider audiences (even beyond the project's direct beneficiaries)?	3
Comments: The visibility of the project achievements could be more strengthened	
SUSTAINABILITY :	
8. What is the prospect that the project's activities and achievements will be sustained following UNTFHS support? (Elaborate on major factors and potential follow-up needs that are likely to influence whether the project's activities will be sustained)	2
Comments: Generally the project was implemented by forging strategic partnership with the key actors from both the state institutions and non-governmental organisations. One major challenge may be the turnover of personnel health providers and health managers in the project, whose capacities for example were developed and who was committed to continuity of the set results. The limited financial and human resources to continue implementation beyond the project period for some areas is also a challenge.	
OVERALL PERFORMANCE ASSESSMENT:	
9. How would you rate the overall performance of the project, considering the Relevance, Effectiveness, Efficiency, Impact and Sustainability of the project?	2
Comments:	

PART III: TEXTUAL ASSESSMENT

1. What were the major issues or problems that affected project implementation?

As per consolidated comments from all participating agencies, the main issue was related to the formation of trust and confidence among project beneficiaries, self-organisation and comprehension of the benefits of their involvement/participation, as well as sense of responsibility. From UNIDO's side, the major barrier of the project implementation was the duration of the project. Implementation of UNIDO's components proved to be more complex than initially envisaged, which lead to the request of an additional year. However, the interventions were completed successfully. In case of biogas component, the major obstacles for widespread introduction of biogas were the following:

- The scale of application of the cattle-pen technology of cattle breeding, which is preferable for biogas production, is small in Armenia.
- The varieties of cattle prevalent in Armenia are not effective for biogas production.
- The biogas stations are effective from economical point of view in case of big numbers of heads of cattle, and the number of such farms in Armenia is small.

2. What, if any, significant unintended impacts/outcomes (positive or negative) were there beyond the original project plans?

From UNDP side, based on the elaborated community development plans other structures (particularly "Shen" NGO, Armenian Diaspora representatives etc) supported in addressing other needs of Pambak community. While implementing project activities, UNHCR managed to strengthen

its partnership with local authorities and Ministry of Territorial Administration as a result of which those entities meaningfully supported the project. Having allowed implementation of the community-owned projects to be undertaken before the SME-supporting Fund completed its first cycle (see implementation arrangements to OCHA in 2010), the communities are benefiting from improved infrastructures earlier than originally intended. Moreover, this has provided opportunities for integration of activities within the overall project (UNIDO, UNDP and UNHCR).

3. Comment on the impact of the project in enhancing and strengthening the UN implementing partner and the wider UN system.

The UNDP in cooperation with UNIDO implemented interrelated activities through provision of agricultural machinery pool to Pambak community and UNIDO constructed a building for the mentioned machinery pool; the CBOs established by UNDP were used by UNIDO as a legal entity for alternative energy production. The participating UN agencies clearly see the perspectives and have the intention for further joint programmes. It would be useful to have a richer documentation of best practices, success stories and lessons learned related to this project. It could be of a key interest as this learning will contribute toward up-scaling and replication of future initiatives.

4. What type of evaluation was conducted on the project by the UN implementing partner(s) (internal, external or participatory)? Were the target beneficiaries involved in the evaluation, and if so how?

The evaluation was conducted on participatory basis, the active group conducted regular monitoring and evaluation of the project activities and outcomes.

5. What were the major lessons (positive and negative) learned through the project? Are there concrete recommendations that could increase the success of future programmes?

It is required to closely cooperate, create trustworthy and dependable environment and conduct regular meetings with the beneficiaries and there is a strong need to strengthen their capacities. In addition it is crucial to enhance the capacity of the community to identify the gaps and provide possible solution through their combined efforts. The knowledge acquired in the practical experience is more valuable and robust. The capacity development initiatives should take into account the turnover of healthcare personnel. Engaging key decision-makers in the communities is critical for strengthening the political will to advocate for human security issues used in the project and ensuring sustainability.

6. What was the added value, if any, of applying the human security approach to this project?

The added value of this project and human security approach was the development of human potential and creating prerequisites for realization of this social, economic, cultural and organisational potential which leads to creating preconditions for meaningful and dignified living conditions. In the context of a human security approach, strengthening sustainable systems and capacities, as well as empowerment of communities to be advocates of their own security and health. The project helped to strengthen multi-sectoral approach and enabled comprehensive and integrated solutions for identified gaps and allowed for knowledge-sharing and results-oriented learning.

7. Would you suggest that the UNTFHS profile this project as a human security success story?

Definitely, it was a good practice of partnership and the findings of the final evaluation will further suggest whether it can qualify for a human security good practice.

8. Has there been any significant progress in the promotion of the concept of human security as a result of this project?

This closely relates to food security, food availability and accessibility, ensuring employment opportunities, income generation, creating social capital through enabling and encouraging mutually advantageous social cooperation as well as the CBO's established under the project bear social responsibility for the community members, as well as ensuring proper living conditions through construction of a social housing. However time factor is also important to report on significant progress and impact.

9. Describe any significant contributions by donors/s (outside of the UN system) and/or effective strategies employed to secure funding.

Significant contribution was made by "Shen" NGO in Pambak community which constructed a potable water network, renovated and refurbished the municipal building and the community medical ambulatory, reconstructed a kindergarten and as a matter of fact the maintenance costs of this kindergarten are covered by the CBO established within the UNTFHS Project. Armenian Social Investment Fund (ASIF) provided significant contribution to the strengthening works of the social housing implemented by UNHCR. Since Geghamasar community had an urgent necessity for new water pipelines to meet its basic water supply needs, the community collaborated with UNIDO by covering the costs of assembling the water pipes purchased by UNIDO and installing.

10. Has this project been replicated elsewhere using other financial resources?

Some components of this project were replicated by FAO, Armenia Tree Project and OXFAM. Community meetings under UNFPA sub-project were under the Strengthening Reproductive Health Project using UNFPA core resources.

11. Any other comments?

No.