United Nations Development Programme
Country: Republic of Armenia
PROJECT DOCUMENT

<table>
<thead>
<tr>
<th>Project Title:</th>
<th>Armenia’s First Biennial Update Report 2014 to the UNFCCC</th>
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<tbody>
<tr>
<td>UNDAF Outcome(s):</td>
<td>Environment and disaster risk management is integrated into national and local development framework</td>
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<td>UNDP Strategic Plan Environment and Sustainable Development Primary Outcome:</td>
<td>1. Inclusive &amp; sustainable growth &amp; development</td>
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<td>UNDP Strategic Plan Secondary Outcome:</td>
<td>1.4. Climate change adaptation and mitigation</td>
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<td>Expected CP Outcome(s):</td>
<td>4.1: Armenia is better able to address key environmental challenges including climate change</td>
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<tr>
<td>Expected CPAP Output:</td>
<td>4.1.1: National policies and tools for implementation of and compliance with international environmental agreements are developed and adopted</td>
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<td>4.1.4: National and local capacities to develop innovative policies and practices to address climate change mitigation and adaptation strengthened</td>
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<td>Implementing Entity/Responsible Partners:</td>
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The overarching goal of the project is to assist the country in mainstreaming and integration of climate change consideration into national and sectoral development policies through further support to the institutional and technical capacity strengthening process, initiated and sustained by the National Communications.

The immediate objective of the project is to assist the country in the preparation and submission of its First Biennial Update Report to the Conference of the Parties to the UNFCCC for the fulfilment of its obligations to the Convention under Dec. 1/CP. 16 par. 60 and Dec 2/CP. 17 par. 41 and its Annex III.

Armenia’s First Biennial Update Report 2014 to the UNFCCC will build on the findings and recommendations of Third National Communication. It will update national greenhouse gas inventory, provide information on progress in GHG mitigation policies and actions and identify needs, as well as provide recommendation for addressing the needs. It will be a useful tool to support the design of environmental, social and economic policies and strategies at the national and sectoral levels; will contribute to the information dissemination and strengthening of institutional and technical capacity building in line with Armenia’s national priorities. As a whole, the project will contribute to the country’s efforts in moving towards a low emission and climate resilient growth path.

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1 For UNDP supported GEF funded projects as this includes GEF-specific requirements
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# LIST OF ACRONYMS

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<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>AFOLU</td>
<td>Agriculture, Forestry and other Land Use</td>
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<td>BUR</td>
<td>Biennial Update Report</td>
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<td>CDM</td>
<td>Clean Development Mechanism</td>
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<td>COP</td>
<td>Conference of Parties</td>
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<td>CO</td>
<td>Country Office</td>
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<td>CPD</td>
<td>Country Programme Document</td>
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<td>FBUR</td>
<td>First Biennial Update Report</td>
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<td>GEF</td>
<td>Global Environment Facility</td>
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<td>GHG</td>
<td>Greenhouse Gas</td>
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<td>Good Practice Guidelines</td>
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<td>GoA</td>
<td>Government of the Republic of Armenia</td>
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<td>IACC</td>
<td>Inter-agency Coordinating Council</td>
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<td>IPCC</td>
<td>Inter-governmental Panel on Climate Change</td>
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<td>MoA</td>
<td>Ministry of Agriculture</td>
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<td>MoENR</td>
<td>Ministry of Energy and Natural Resources</td>
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<td>MoE</td>
<td>Ministry of Economy</td>
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<td>MDGs</td>
<td>Millennium Development Goals</td>
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<td>MoNP</td>
<td>Ministry of Nature Protection</td>
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<td>MoTC</td>
<td>Ministry of Transport and Communication</td>
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<td>MRV</td>
<td>Measurement Reporting &amp; Verification</td>
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<td>NAMA</td>
<td>Nationally Appropriate Mitigation Actions</td>
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<td>NC</td>
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<td>National Implementation Modality</td>
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<td>Project National Coordinator</td>
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<td>Public Services Regulating Commission</td>
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<td>Sustainable Development Programme</td>
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<td>Second National Communication</td>
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<td>TNC</td>
<td>Third National Communication</td>
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<td>TOR</td>
<td>Terms of Reference</td>
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<td>UNDAF</td>
<td>United Nations Development Assistance Framework</td>
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<td>UNFCCC</td>
<td>United Nations Framework Convention on Climate Change</td>
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1. **SITUATION ANALYSIS**

The Republic of Armenia as a Party to the United Nations Framework Convention on Climate Change (UNFCCC) has the obligation to prepare the National Communication Document, based on the guidelines provided by the Conference of Parties (COP) for non-Annex I counties (Decision 17/CP.8). Responding to the obligations towards the UNFCCC the country prepared and submitted the First National Communication on Climate Change in 1998 and the Second National Communication (SNC) in 2010. The preparation of the Third National Communication (TNC) is underway and is expected to be finalized by the end of 2014.

Armenia considers the preparation of National Communications as an extremely important process not only for producing the national communication document to fulfill its commitments under the UNFCCC, but also for facilitating process and developing the capacity of sectors and local government in setting up policies and strategies for the implementation of climate change mitigation actions both at national and sub-national level.

In line with the decision set forth during COP 17, non-Annex 1 countries like Armenia shall submit a biennial update report, containing updates of national greenhouse gas inventories, including a national inventory report and information on mitigation actions, needs and support received. To comply with this new obligation, such report will be prepared taking into account national development priorities, objectives, capacities and circumstances.

Priority issues for economic development of the country are addressed in the frames of the Sustainable Development Program (SDP, 2008) and the Millennium Development Goals (MDGs). The Government of Armenia (GoA) considers the environment to be an integral component for sustainable development and continues its work to achieve the protection and improvement of the use of natural resources in sustainable manner. To this aim in August 2009 the Government established the National Council for Sustainable Development headed by the Prime Minister with responsibility for coordination, monitoring and evaluation of sustainable development activity in the country.

Considering a multilateral nature of the climate change problems, in October 2012 the Government established the Inter-Agency Coordinating Council (IACC) on implementation of requirements and provisions of the UNFCCC by the Republic of Armenia and to support deployment of innovative approaches and mechanisms to combat climate change.

The Government has also actively supported international efforts in combating climate change through domestic policies and strategies and active participation in the negotiation process under UNFCCC. In January 2010 the country associated to the Copenhagen Accord and submitted a preliminary list of mitigation actions (without quantifying the associated emission reductions) that it would be willing to undertake on a voluntary basis.

The United Nations (UN) system in Armenia has developed the second UN Development Assistance Framework (UNDAF) for 2010-2015 in line with the main national development priorities. According to the latter, the UN system in Armenia supports the country in its development efforts, ensuring national ownership of UN programmes and projects and further enhancing Armenia’s individual and institutional national capacities. In 2009 the United Nations Development Programme’s (UNDP) Country Program Document (CPD) was approved for 2010-2015, according to which UNDP will contribute to the achievement of two outcomes under Environmental Governance: “Development and introduction of policy frameworks to ensure conservation and sustainable use of national resources at national and local levels, including climate change adaptation and mitigation”.

The Ministry of Nature Protection (MoNP) is the key governmental body responsible for development of climate change policies. Other Ministries that have responsibilities related to climate change are: Ministry of Energy and Natural Resources (MENR), Ministry of Agriculture
(MoA), Ministry of Economy (MoE), Ministry of Transport and Communication (MoTC), Ministry of Urban Development, Ministry of Health, Ministry of Emergency Situation which should ensure mainstreaming of climate change into respective policies, strategies and programmes.

2. Strategy

The main aim of the First Biennial Update Report (FBUR) is to assist the country in mainstreaming and integrating the climate change consideration into national and sectoral development policies by providing continuity to the institutional and technical capacity strengthening process, initiated and sustained by the National Communications (NC). The project will take the process a step further and will look at the integration of climate change and related measures with policies, strategies and program of actions currently underway.

The project will support addressing one of the UNDAF (2010-2015) and Country Programme Document (2010-2015) priorities: further enhancement of the national capacities for environmental governance, including effective management of natural resources, support to introduction and transfer of cleaner technologies, energy efficiency/renewable energy and environmental education in accordance with the MDGs and SDP.

Recognizing the important steps forward taken for the institutionalization of climate change issues and the mainstreaming of climate change in the national and sectoral development policies, Armenia’s First Biennial Update Report 2014 is expected to contribute to strengthen these integration processes as well as to inform the international community on the actions taken by the country to address climate change issues.

Armenia’s First Biennial Update Report 2014 to the UNFCCC will be built on the findings and recommendations of the Third National Communication. It will update information that was prepared in the context of the TNC, and provide the most up to date information on National Circumstances and National GHG Inventory; identify progress in GHG mitigation policies and actions; identify constraints and gaps and assess related financial, technology and capacity building needs, as well as provide recommendations for addressing the needs.

The results of these updates and assessments as well as the active involvement of various institutions (public, scientific, educational, private and civil society) in the First BUR development process right from the beginning are expected to contribute to deepen the understanding of the needs and consequences of the implementation of mitigation polices and measures as well as of their potential contribution to the sustainable development of the different economic sectors in Armenia. It will be a useful tool to support the design of environmental, social and economic policies and strategies at the national and sectoral levels; will contribute to the information dissemination and strengthening of institutional and technical capacity building, including education and awareness on climate change, in line with Armenia’s national priorities. This will also enhance government capacity in preparing biennial update reports on GHG Inventory including mitigation actions, needs and supports received as mandated by the Decision 1/CP.16.

The Ministry of Nature Protection (MoNP) along with Inter-Agency Coordinating Council should perform a leadership, acting in coordination with the other stakeholders, integrating climate change in the ongoing national activities for the achievement of results to be reported and communicated through the National Communications and Biennial Update Reports (BUR).

With respect to the gender dimension, women are meaningfully involved, not only as beneficiaries but also in the decision-making process of climate change related activities and are represented in Inter-agency Climate Change Committee, which will act as Project Steering Committee. Moreover, considering that climate change is partly the result of human behaviour, mitigation strategies must consider the gendered patterns of energy use in order to be effective. In this sense, the project will incorporate a gender perspective in the identification, description and preparation of mitigation actions when relevant. To this aim the consultation will be conducted with Women Entrepreneurs Network to elaborate the ways of more active involvement of women in climate mitigation policy and shaping activities, including behavioural change.
The work on the First Biennial Update Reports will be reported through the following outcomes:

**Outcome 1:** National circumstances and institutional arrangements relevant to the preparation of the national communications on a continuous basis updated and described

**Outcome 2:** National GHG Inventory Updated to 2012 (period to 2010-2012) using the 2006 software

**Outcome 3:** Implemented GHG mitigation policies and actions updated and reported for the period 2012-2014

**Outcome 4:** Constraints and gaps identified, related financial, technology and capacity building needs assessed and recommendation for addressing the needs provided

**Outcome 5:** Establishment of domestic Measurement Reporting and Verification arrangements supported

**Outcome 6:** First Biennial Update Report 2014 approved by the Ministry of Nature Protection

**Outcome 1:** National circumstances and institutional arrangements relevant to the preparation of the national communications on a continuous basis updated and described

The information on the national circumstances prepared under Third National Communication will be updated taking into account all new studies, projects and research. Special attention will be paid to new information and data related to those sectors that are largest contributors to the GHG emissions and first of all to energy sector. National development objectives, priorities and circumstances will also be updated, including the specific needs and concerns arising from the adverse effects of climate change.

The information on the institutional arrangements and the mechanisms for stakeholder’s involvement relevant to the preparation of the national communications and the biennial update reports will be updated including consideration of more active involvement of women in the decision-making process on climate mitigation policy and mitigation actions when relevant.

More specifically, under this component, the project will focus on the following activities:

- Review the current existing institutional arrangements under the TNC.
- Identify additional key stakeholders needed to ensure successful implementation of the biennial update report.
- Conduct consultations with key stakeholder to get their buy-in and support in the biennial update reporting process.
- Review and update data used in the National Circumstances using latest data from institutions like National Statistical Service (NSS), Ministry of Energy and Natural Resources, “Settlement Center” CJSC (under the Ministry of Energy and Natural Resources), Ministry of Agriculture, Ministry of Economy, Ministry of Transport and Communication, Ministry of Urban Development and other sources of data.
- Draft, discuss and agree the National Circumstances chapter of FBUR.
- Finalize the National Circumstances chapter of FBUR.

**Outputs:**
1.1. Features of the country, its population, natural resources, climate and economy which may affect the country’s ability to deal with mitigating and adapting to climate change.

1.2. Description of national development objectives, priorities and circumstances, and the specific needs and concerns arising from the adverse effects of climate change.

1.3. Description of institutional arrangements relevant to the preparation of the national communications and biennial update reports on a continuous basis.

1.4. Mechanisms for stakeholder involvement and participation to enable the preparation of national communications and biennial update reports.

Outcome 2: National GHG Inventory Updated to 2012 (period to 2010-2012) using the 2006 software

The national GHG inventory of anthropogenic emissions by sources and removal by sinks has been developed for 2010 (1990-2010) as a result of the inventory work done under the Third NC, for the areas of Energy; Industrial processes; Agriculture, Forestry and other Land Use; and Waste using new 2006 IPCC software. Methane fugitive emissions in the gas distribution systems were studied and national emission factors for estimation of SO₂ from copper and molybdenum production were elaborated as well.

The GHG inventory will be updated for 2012 (period 2010-2012) as an outcome of the First BUR. The Inventory will be compiled according 2006 IPCC Guidelines with the latest data available. The categories will include: Energy; Industrial processes; Agriculture, Forestry and other Land Use; as well as waste and the following gases: carbon dioxide, methane, nitrous oxide, HFC, PFC, SF6.

Quality improvement works for the GHG Inventory will be continued and focused on the methods and approaches for data collection process, filling data gaps and establishment of a sustainable system for conducting GHG Inventory.

The efforts for improvement of the GHG Inventory will also be directed at employment of higher tier methodologies for GHG emissions estimation from key sources and reduction of emission uncertainties. According to the preliminary assumption, higher tier methodologies will be used for the following sources: “1.A.1.CO₂ emissions from stationary sources” in the sector of Energy and “Industrial processes”. For the other sources, the possibility of conducting higher tier calculations will be decided in the process of the work.

For previous Inventories, a close cooperation have been established, in particular with the Ministry of Energy and Natural Resources, National Statistical Service, Ministry of Agriculture, Ministry of Transport and Communication, Public Services Regulating Commission (PSRG), State Committee of the Real Estate Cadastre, “ArmRusGazProm” CJSC. The cooperation between these institutions will be formalized through establishment of a working group, in order to improve the efficiency of the process of data collection and to ensure sustainability of the process of preparation of the inventories thus facilitating the reporting obligation of the country towards the relevant global conventions and agreements.

More specifically, under this component, the project will focus on the following activities:

- Renew and strengthen the institutional arrangements and cooperation with other ministries/institutions for data collection for specific sectors. Identify additional stakeholders, if any, to the existing national GHG inventory team so that it covers all the 5 Inter-governmental Panel on Climate Change (IPCC) emitting sectors.
- Enhance the national capacity on GHG inventory preparation through establishment of working groups from representatives of key ministries/agencies, including the NSS.
• Develop Terms of References (ToRs) for the GHG Inventory Expert.
• Train the national team on the latest IPCC guidelines, methodologies, IPCC Good Practice Guidelines (GPG) and related software packages.
• Incorporate good practices for improving sustainability of the process.
• Organize training on inventory and database management.
• Data collection/interaction with data providers for preparation of inventory for 2010-2012 according to 2006 guidelines.
• Analyse key emission sources.
• Revise nationally adopted emission factors on annual basis, if needed.
• Prepare working sheets and summary tables, uncertainty estimation and management.
• Assess Quality Assurance and Quality Control of the GHG Inventory Report.
• Document and archive all the steps of the GHG Inventory process.
• Organize national technical working sessions to present and validate the findings of the inventory report.
• Publish GHG Inventory report both in Armenian and English.

Outputs:

2.1. GHG inventory for the period of 2010-2012 calculated using 2006 software for the categories: Energy; Industrial Processes; Agriculture, Forestry and Other Land Use; Waste.

2.2. Emission factors for the key sources updated, as needed.

2.3. Cross-sector collaboration for preparation of GHG Inventory strengthened.

Outcome 3: Implemented GHG mitigation policies and actions updated and reported for the period 2012-2014

Within this component implementation GHG mitigation policies and actions will be updated and reported for the period of 2012-2014. The mitigation analysis for the BUR will follow the recommendations of the TNC. The climate change mitigation analysis under the TNC considers all categories of GHG emission sources relevant to the Republic of Armenia: Energy; Industrial Processes; Agriculture, Forestry and other Land Use; and Waste.

The scope of the sectoral mitigation assessments for the BUR will include an analysis of related legislation, policies and programmes that facilitate the rapid implementation of mitigation technologies and practices, as well as – to the extent possible – the macro-economic impact of the mitigation options. Baselines and mitigation scenarios developed under the TNC will be revised/updated taking into account recent developments in the economy of the Republic of Armenia.

Specifically, the following strategic papers and projects will be considered for the BUR preparation: (i) concept of the Energy Security of the Republic of Armenia (2013); (ii) the updated Sustainable Development Program of the Republic of Armenia; (iii) the annual action plans of the GoA on Implementation of the Energy Saving and Renewable Energy Program; (iv) the Gas Supply System Modernization and Expansion Project of the Republic of Armenia (2009); (v) the Transport Sector Development Strategy of the Republic of Armenia (2011); (vi) key directions of climate change mitigation, declared by the Republic of Armenia in the document for association to the Copenhagen Accords (2010), (vii) the donor assisted projects currently implemented by the Scientific-Research Institute of Energy, including the energy consumption management project; the development of roadmap for renewable energy development; regional integration and energy safety and power market development projects (2011), (viii) energy efficiency and renewable energy projects currently implemented in the frames of ArmSEFF program (2010) and projects funded by WB, IFC, EBRD, kW, ADB, UNDP, GEF, EC, USAID, (ix) the Republic of Armenia Strategy for Rural and Agricultural Development
for the period of 2010-2020 (2011), (x) the waste management projects in the regions (marzes) of Armenia (2010), etc.

Armenia keeps its efforts to identify and implement mitigation actions with resources coming from state, municipal, private and international financing sources. In this sense, at the national level, the energy sectors stand out in promoting resources efficient and environmentally friendly energy supply through the development of provisions to maximal use of renewable sources as well as implementation of energy efficiency actions.

An analytical work will be carried out in order to assess policies/regulations, institutional arrangements as well as programs/projects enabling the implementation of National Appropriate Mitigation Actions (NAMAs) in energy sector.

To facilitate procedures of NAMAs and Clean Development Mechanism (CDM) project activities that substitutes grid electricity, i.e. for renewable energy generation projects and energy efficiency projects, standardized baseline - “Grid Emission Factor for the Armenian National Grid” using the Methodological Tool “Tool to Calculate the Emission Factor for an Electricity System” Version 03.0.0, CDM EB70, Annex 22 will be developed within the BUR. This will be a substantial support for approving NAMA initiatives because of reducing transaction costs for project development and verification of reduction potential thus making attractive investments in emission reduction activities as the country will have a standardized baseline covering two types of projects - Power Generation, including primarily renewable energy and energy efficiency projects.

More specifically, under this component, the project will focus on the following activities:

- Review the composition of existing national mitigation under the TNC.
- Update the list of stakeholders and involve in the mitigation team.
- Mobilize the stakeholders to support and participate in the national mitigation team.
- Develop ToRs for the National Climate Change Mitigation experts.
- Train the national mitigation team on the latest IPCC guidelines, methodologies and related software packages.
- Organize a technical working session on mitigation analysis with support from the national climate change mitigation expert with the national mitigation working group. Assess the mitigation potential in key sectors.
- Develop baseline and mitigation scenarios until 2030 for abatement of GHG emissions.
- Identify the effects of the mitigation actions.
- Provide a detailed description of the mitigation actions, including the name, sector, coverage, goals, objectives, methodologies, inputs and outputs.
- Review existing regulatory framework, polices and institutional arrangements enabling the implementation of NAMAs in energy sector.
- Develop Standardized baseline for the electrical grid of Armenia to facilitate procedures of NAMAs for energy efficiency and renewable energy projects.
- Review Progress of policies and actions to mitigate GHG planned and implemented from 2012 to 2014, at national, sub-national and local levels.
- Draft the National mitigation section of the BUR.
- Circulate the report among national reviewers & in-depth reviewers for quality assurance.
- Organize national technical working sessions to present & validate the findings of the mitigation analysis.
- Finalize the mitigation section of the FBUR.

**Outputs:**


3.1 Assessment of the mitigation potential in key sectors
3.2 Baseline and mitigation scenarios until 2030 for abatement of GHG emissions
3.3 Analysis of the national and sectoral programmes and policies and institutional arrangements to enable the implementation of NAMAs in energy sector
3.4 Standardized baseline for the electrical grid of Armenia to facilitate procedures of NAMAs for energy efficiency and renewable energy projects
3.5 Progress of policies and actions to mitigate GHG planned and implemented from 2012 to 2014, at national, sub-national and local levels.

Outcome 4: Constraints and gaps identified, related financial, technology and capacity building needs assessed and recommendation for addressing the needs provided

These activities as part of the BUR should closely link the process and outcomes of the TNC to relevant planning and decision making processes. A study of financial, technological and capacity needs and constraints of institutions responsible for activities related to climate change will be conducted through the collection, synthesis and analysis of existing information, individual interviews or group discussions, site visits, among others.

Information on financial resources, technology transfer, capacity building and technical support received from bilateral and multilateral donors for activities related to climate change will be collected. Also, information on national resources allocated for climate change upon ratification of the UNFCCC will be systemized.

More specifically, under this component, the project will focus on the following activities:

- Review constraints, gaps and needs either of financial, technical or capacity and identify new ones. This will be done in consultation with stakeholders.
- Conduct a review of the needs in training and public awareness in relation to the mitigation activities.
- Review capacity needs assessment for Armenia in terms of capacity building. Continuous capacity building and training throughout the process will be done complimenting those done under the TNC. The national teams and working groups on various thematic areas will be capacitated to carry out GHG inventory data collection as well as, trainings on mitigation measures and technology transfer for stakeholders will be conducted.
- Summarize constraints, gaps and needs identified, discuss and agree.
- Finalize the above section of the FBUR.

Outputs:

4.1 Information on financial resources and technical support received for activities related to climate change.

This section will include the collaboration activities related to technology transfer and capacity building and the financial support received from bilateral and multilateral donors for activities related to climate change.

4.2 Technology, financial and capacity needs for mitigation assessed.

This section will incorporate the financial requirements for the assessment of mitigation opportunities.

4.3 Financial report produced.

Outcome 5: Establishment of domestic Measurement Reporting and Verification arrangements supported
In 2010 in Cancun, the COP, through Dec. 1/CP 15 decided that domestically supported mitigation actions will be measured, reported and verified domestically in accordance with general guidelines to be developed under the Convention.

Under the project, an assessment will be conducted regarding the different options and possibilities for the domestic Measurement, Reporting and Verification (MRV), considering national circumstances and capabilities, as well as taking into account the different nature of the mitigation actions.

Furthermore, technical support will be given to the process of development of the national institutional and legal frameworks for establishment of domestic MRV.

More specifically, under this component, the project will focus on the following activities:

- Identify and assess different options and possibilities for domestic MRV, taking into consideration national circumstances, local capacity and the nature of proposed mitigation actions.
- Conduct consultation and mobilization with key stakeholders on MRV.

**Outputs:**

5.1 **Options and possibilities for establishment of a domestic MRV system analyzed.**

5.2 **Support given to the process of development of national institutional arrangements and framework for establishment of domestic MRV.**

**Outcome 6: First Biennial Update Report 2014 approved by the Ministry of Nature Protection**

When the expected outcomes 1 to 5 and its respective outputs are completed and Biennial Report has been approved by the Ministry of Nature Protection the First Biennial Update Report document will be compiled according to the guidelines contained in Annex II of Dec. 2. CP 17 and it will be submitted to the Conference of the Parties of the United Nations Framework Convention on Climate Change according to the requirements and formats established by the UNFCCC Secretariat.

The project’s monitoring and evaluation framework is described in details in Chapter 5 of the Project Document.
3. Project Result Framework

This project will contribute to achieving the following Country Programme Outcome as defined in CPAP or CPD: 4.1. Armenia is better able to address key environmental challenges including climate change

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<tr>
<th>Country Programme Outcome Indicators:</th>
<th>1. % of relevant laws amended to bring them into line with international standards. 2. No. of policy documents and instruments addressing climate change mitigation and adaptation issues.</th>
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</table>

Primary applicable Key Environment and Sustainable Development Key Result Area (same as that on the cover page, circle one): 1. Mainstreaming environment and energy OR 2. Catalysing environmental finance OR 3. Promote climate change adaptation and mitigation 4. Expanding access to environmental and energy services for the poor.

Applicable GEF Strategic Objective and Program: 6. Support enabling activities and capacity building

Applicable GEF Expected Outcomes: b. Human and institutional capacity strengthened

Applicable GEF Outcome Indicators: b. Biennial Update Report completed and submitted to the UNFCCC as appropriate

<table>
<thead>
<tr>
<th>Project Objective</th>
<th>Indicator</th>
<th>Baseline</th>
<th>Targets End of Project</th>
<th>Source of verification</th>
<th>Risks and Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>To assist Armenia in the preparation of its First Biennial Update Report (FBUR) for the fulfilment of the obligations under the United Nations Framework Convention on Climate Change (UNFCCC)</td>
<td>FBUR approved by the Government and UNDP</td>
<td>It is the First Biennial Update Report.</td>
<td>FBUR finalized, approved and published</td>
<td>Published FBUR</td>
<td>The implementation of this project depends mainly on various stakeholders’ involvement and their willingness actively participates in the project implementation. The project assumes that all the key stakeholders will actively participate in this project</td>
</tr>
<tr>
<td>Availability of described updated national circumstances and institutional arrangements relevant to the preparation of the national communications on a continuous basis updated and described</td>
<td>National circumstances described in TNC and institutional arrangements established for preparation of TNC</td>
<td>National circumstances described and institutional arrangements established</td>
<td>Relevant chapters in FBUR</td>
<td>Difficulties with coordination of sector-wide stakeholders</td>
<td></td>
</tr>
<tr>
<td>National GHG Inventory Updated to 2012 (period to 2010-2012) using the UNFCCC recommended 2006 software</td>
<td>Availability of GHG inventory updated to 2012</td>
<td>The most recent greenhouse gas inventory was prepared for year 2010</td>
<td>GHG inventory updated to 2012</td>
<td>Relevant chapters in FBUR</td>
<td>Difficulties with hiring qualifies experts in some sub-sectors</td>
</tr>
<tr>
<td>Implemented GHG mitigation policies and actions updated and reported for the period 2012-2014</td>
<td>Availability of updated and reported mitigation actions and polices</td>
<td>The most recent mitigation policies and actions were reported in TNC. However the relevant projects and activities are going on in the various sectors and the most recently strategic papers were adopted.</td>
<td>Implemented GHG mitigation policies and actions updated and reported</td>
<td>Relevant chapters in FBUR</td>
<td>Availability of qualified experts in some sub-sectors and unwillingness of some institutions to share data and provide technical staff</td>
</tr>
<tr>
<td><strong>Outcome 4</strong></td>
<td>Availability of identified constraints and gaps and assessed related financial, technology and capacity building needs; and recommendation for addressing the needs provided</td>
<td>Outcomes of TNC.</td>
<td>Constraints and gaps identified; related financial, technology and capacity building needs assessed; and recommendation for addressing the needs provided</td>
<td>Relevant chapters in FBUR</td>
<td>Unwillingness of some stakeholders to provide data on support received</td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td><strong>Outcome 5</strong></td>
<td>MRV arrangements are identified and assessed</td>
<td>None</td>
<td>MRV system developed</td>
<td>MRV in place</td>
<td>The formal approval of the identified MRV arrangements may extend the timeline of the project</td>
</tr>
<tr>
<td><strong>Outcome 6</strong></td>
<td>Availability of FBUR approved by the Government and UNDP</td>
<td>None</td>
<td>FBUR finalized, approved and published</td>
<td>Published FBUR</td>
<td>The time period is short given the project’s dependency on the willingness of stakeholders to participate; it might be out of the hands of the coordinating unit to ensure the timely delivery of the FBUR</td>
</tr>
</tbody>
</table>
# WORKPLAN

<table>
<thead>
<tr>
<th>Outputs/Activities</th>
<th>Year 1 (2014) &amp; Year 2 (2015)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Implementation arrangement &amp; Project inception</strong></td>
<td>Q2</td>
</tr>
<tr>
<td>1. Appointment of project staff</td>
<td></td>
</tr>
<tr>
<td>2. Organize project inception technical working session</td>
<td></td>
</tr>
</tbody>
</table>

**Outcome 1: National circumstances and institutional arrangements relevant to the preparation of the national communications on a continuous basis updated and described**

1.1. Review the current existing institutional arrangements under the TNC

1.2. Identify additional key stakeholders needed to ensure for the successful biennial update report

1.3. Conduct consultations with key stakeholder to get their buy-in and support in the biennial update reporting process

1.4. Review and update data used in the National Circumstances using latest data from institutions like National Statistical Service (NSS), Ministry of Energy and Natural Resources, “Settlement Center” CJSC (under the Ministry of Energy and Natural Resources) Ministry of Agriculture, Ministry of Economy, Ministry of Transport and Communication, Ministry of Urban Development and other sources of data

1.5. Draft, discuss and agree the National Circumstances chapter of FBUR

1.6. Finalize the National Circumstances chapter of FBUR

**Outcome 2: National GHG Inventory Updated to 2012 (period to 2010-2012) using the UNFCCC recommended 2006 software**

2.1. Review the composition of the existing national GHG inventory team under the TNC

2.2. Identify additional stakeholders, if any, to the existing national GHG inventory team so that it covers all the 5 IPCC emitting sectors

2.3. Renew and strengthen the institutional arrangements and cooperation with other ministries/institutions for data collection for specific sectors through establishment of working groups from representatives of key ministries/agencies, including the NSS.

2.4. Develop Terms of References (ToRs) for the GHG Inventory Experts

2.5. Train the national team on the latest IPCC guidelines, methodologies, IPCC Good Practice Guidelines (GPG) and related software packages

2.6. Organize training to NSS & Climate Change Programme Unit on inventory & database management

2.7. Collect GHG data from 5 IPCC sectors: Energy; Industrial Processes; Agriculture, Forestry and Other Land Use; Waste for the year 2012, using the IPCC guidelines

2.8. Update national emissions factors for key source categories

2.9. Calculate uncertainties and setting up QA/QC plans

2.10. Document and archive all the steps of the GHG Inventory process
<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.11</td>
<td>Develop GHG inventory report</td>
</tr>
<tr>
<td>2.12</td>
<td>Circulate report for in-depth review and quality assurance</td>
</tr>
<tr>
<td>2.13</td>
<td>Organize national technical working sessions to present and validate the findings of the inventory report</td>
</tr>
<tr>
<td>2.14</td>
<td>Finalize the GHG inventory</td>
</tr>
</tbody>
</table>

**Outcome 3: Implemented GHG mitigation policies and actions updated and reported for the period 2012-2014**

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>Review the composition of existing national mitigation team under the TNC</td>
</tr>
<tr>
<td>3.2</td>
<td>Update the list of stakeholders and involve in the mitigation team</td>
</tr>
<tr>
<td>3.3</td>
<td>Mobilize the stakeholders to support and participate in the national mitigation team</td>
</tr>
<tr>
<td>3.4</td>
<td>Develop ToRs for the National Climate Change Mitigation Expert</td>
</tr>
<tr>
<td>3.5</td>
<td>Train the national mitigation team on the latest IPCC guidelines, methodologies, and related software packages</td>
</tr>
<tr>
<td>3.6</td>
<td>Develop baseline and mitigation scenarios until 2030 for abatement of GHG emissions</td>
</tr>
<tr>
<td>3.7</td>
<td>Identify the effects of the mitigation actions</td>
</tr>
<tr>
<td>3.8</td>
<td>Provide a detailed description of the mitigation actions, including the name, sector, coverage, goals, objectives, methodologies, inputs and outputs</td>
</tr>
<tr>
<td>3.9</td>
<td>Review existing regulatory framework, polices and institutional arrangements enabling the implementation of NAMAs in energy sector</td>
</tr>
<tr>
<td>3.10</td>
<td>Develop Standardized baseline for the electrical grid of Armenia to facilitate procedures of NAMAs for energy efficiency and renewable energy projects</td>
</tr>
<tr>
<td>3.11</td>
<td>Review progress of policies and actions to mitigate GHG planned and implemented from 2012 to 2014, at national, sub-national and local levels.</td>
</tr>
<tr>
<td>3.12</td>
<td>Draft the National mitigation section of the FBUR</td>
</tr>
<tr>
<td>3.13</td>
<td>Circulate the report among national reviewers &amp; in-depth reviewers for quality assurance</td>
</tr>
<tr>
<td>3.14</td>
<td>Organize national technical working sessions to present &amp; validate the findings of the mitigation analysis</td>
</tr>
<tr>
<td>3.15</td>
<td>Finalize of the mitigation section of the FBUR</td>
</tr>
</tbody>
</table>

**Outcome 4: Constraints and gaps identified, related financial, technology and capacity building needs assessed and recommendation for addressing the needs provided**

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.1</td>
<td>Review constraints, gaps and needs either of financial, technical or capacity and identify new ones. This will be done in consultation with stakeholders.</td>
</tr>
<tr>
<td>4.2</td>
<td>Conduct a review of the needs in training and public awareness in relation to the mitigation activities.</td>
</tr>
<tr>
<td>4.3</td>
<td>Review capacity needs assessment for Armenia in terms of capacity building</td>
</tr>
<tr>
<td>4.4</td>
<td>Summarize constraints, gaps and needs identified, discuss and agree.</td>
</tr>
<tr>
<td>4.5</td>
<td>Finalize the above section of the FBUR</td>
</tr>
</tbody>
</table>

**Outcome 5: Establishment of domestic Measurement Reporting and Verification arrangements supported**

<table>
<thead>
<tr>
<th>Step</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>5.1</td>
<td>Identify and assess different options and possibilities for domestic MRV taking into consideration national</td>
</tr>
</tbody>
</table>
circumstances, local capacity and the nature of proposed mitigation actions

5.2. Conduct consultation and mobilization with key stakeholders on MRV

**Outcome 6: First Biennial Update Report 2014 approved by the Ministry of Nature Protection**

6.1. Consolidate inputs from all outputs leading to a draft FBUR
6.2. Internal and external technical review of the draft FBUR
6.3. Validate & Endorse the final FBUR by the MNP
6.4. National approval and official launch of the Armenia’s FBUR
6.5. Submit the report to the COP of the UNFCCC in 2015
6.6. Disseminate the report to relevant stakeholders and translate thereof

**Monitoring and evaluation of project outcomes & outputs carried out**

7.1. Organize and hold project inception workshop
7.2. Produce and circulate the project inception workshop reports
7.3. Produce and submit quarterly project reports
7.4. Perform quarterly & periodic M&E
7.5. Prepare and submit final evaluation report at the end of the project
5. MANAGEMENT ARRANGEMENTS

The project will be implemented through UNDP-Armenia as GEF Implementing Agency based on National Implementation Modality (NIM) with the Ministry of Nature Protection as the Executing Partner.

The UNFCCC Focal Point, will provide strategic guidance and support on behalf of the Ministry of Nature Protection, as well as represent the interests of the project within the Ministry and the Government and ensure relevance and contribution of the project to the national capacity building work and implementation of national commitments under UNFCCC. The PNC will coordinate the overall project implementation activities and will be responsible for meeting the objectives of the project.

In order to ensure sustainability and linkage with climate change enabling activities already implemented in the country, the Project Implementation Unit i.e. the UNDP Climate Change Program Unit established in the frames of Armenia’s INC and strengthened in the course of various climate change projects will be the executing and operational unit that will coordinate and implement day-to-day project activities for the preparation of the Biennial Update Report, in the same role it has now for the Third National Communication.

The Government will provide in-kind support to the project through provision of office space, premises for meetings, means of communication and other utilities, as well as information and time of civil servants and governmental officials involved in IACC and Technical Advisory Committee, as part of the government contribution.

UNDP - Armenia will act as GEF Implementing Agency for the project and will assist the country for the entire project length to implement the activities set forth and will monitor and supervise the project on behalf of the GEF. The UNDP country office will monitor and support the implementation of the project in line with standard procedures.

Outside direction and oversight will be provided by the following separate but closely linked bodies.

The Inter-Agency Coordinating Council on Implementation of Requirements and Provisions of the UNFCCC established by the Government in 2012 will act as a Project Steering Committee to ensure high-level support and policy guidance to the project, strengthening the inter-institutional coordination on climate change and thus giving sustainability to the preparation of the First Biennial Update Report.

The Project Board will consist of the UNDP Environment Governance Portfolio National Director; a representative of government and implementing partner, the Ministry of Nature Protection; and a senior representative of UNDP. This Project Board will provide consensus management decisions when guidance is required by the Project Manager. The Project Board will also have final authority on matters requiring official review and approval, including annual work plans, budgets, and key hires.

The Technical Advisory Committee will comprise specialists/experts of various other interested public and private agencies. The Ministry of Energy and Natural Resources, Ministry of Finance, Ministry of Economy, Ministry of Agriculture, Ministry of Urban Development, Ministry of Territorial Administration, Ministry of Nature Protection, National Statistical Service of RA, the R2E2 Fund, the Scientific Research Institute of Energy, Forest Authority will be invited to nominate representatives to the Technical Advisory Committee. This group will meet for periodic consultation as needed throughout the year. The Project Board will actively seek and take account of the input of the Project Steering Committee and Technical Advisory Committee.
The chart of institutional arrangements for project implementation is provided in Fig. 1.

A full time Task Leader (TL) technical expert will be brought in under the project to provide necessary management and technical backstopping to the UNDP Climate Change Program Coordinator. The Task Leader is responsible for the direct project execution and coordination of all project activities. He/she has a right to implement the planned activities in accordance with the Annual Work Plan approved by the Project Board. A project team will be established and recruited on a competitive basis for project implementation. The project team will be managed by the TL, who will be accountable to the Climate Change Programme Coordinator and UNDP for planning, implementation quality, timeliness and effectiveness of the activities carried out and the proper use of funds. The recruitment of the TL will be carried out by UNDP according to the UNDP procedures. In order to successfully implement the project activities, it is preferable and advantageous to use the accumulated capacities, including personnel, experience and information, established, trained and strengthened during the preparation of national communications so far. Such approach will ensure smooth start up and implementation of the project. The Task Leader will be supported by local support staff in the overall project management, including organization of regular meetings with the national implementing agency; technical reporting including preparation of progress reports; monitoring and evaluation; organization of training/workshop activities; logistic support; circulation of discussion papers and draft reports, coordinating and monitoring the work of the consultants and providing other support needed. Additional short-term national and international experts will be brought in for different technical aspects as needed.

The procurement of goods and services and the recruitment of project personnel by the UNDP country office shall be conducted in accordance with the UNDP regulations, rules, policies and procedures.
Figure 1. Management Arrangement

**Beneficiaries:**
Ministry of Nature Protection on behalf of the Government of Armenia

**Executive:**
Ministry of Nature Protection

**Senior Supplier:**
UNDP

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**UNDP CLIMATE CHANGE PROGRAMME UNIT**
Climate Change Programme Coordinator
Project Task Leader

**Component 1:**
National circumstances and institutional arrangements
Long – term and short – term local consultants

- Ministry of Nature Protection of RA
- National Statistical Service of RA
- Ministry of Energy and Natural Resources of RA
- Ministry of Finance of RA
- Ministry of Agriculture of RA
- Ministry of Economy of RA
- National Academy of Science of RA
- Armenian Development Agency
- Women Entrepreneurs Network

**Component 2:**
National GHG Inventory
Long – term and short – term local consultants

- Ministry of Nature Protection of RA
- National Statistical Service of RA
- Ministry of Energy and Natural Resources of RA
- Ministry of Agriculture of RA
- Public Services Regulatory Commission (PSRC)
- Ministry of Transport and Communication of RA
- State Committee of Water Resources
- State Committee of the Real Estate Cadastre
- “ArmRusGazProm” CJSC
- “Settlement Center” CJSC

**Component 3:**
Reporting on mitigation actions
Long – term and short – term local consultants and short – term international consultant

- Ministry of Nature Protection of RA
- Ministry of Energy and Natural Resources of RA
- Ministry of Agriculture of RA
- Ministry of Economy of RA
- Ministry of Transport and Communication of RA
- National Academy of Science of RA
- PSRC
- “Scientific Research Institute of Energy” CJSC
- R2E2 Fund
- State Engineering University
- “Settlement Center” CJSC

**Component 4, 5:**
Constraints and gaps, and related needs; Domestic MRV
Short – term local and international consultants

- Ministry of Nature Protection of RA
- Ministry of Energy and Natural Resources of RA
- Ministry of Finance of RA
- Ministry of Agriculture of RA
- Ministry of Urban Development of RA
- Ministry of Transport and Communication of RA

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Reporting lines
Cooperation with stakeholders
6. Monitoring Framework and Evaluation

The project will be monitored through the following M&E activities. The M&E budget is provided in the table below.

Project start:
A Project Inception Workshop will be held within the first 2 months of project start with those with assigned roles in the project organization structure, UNDP country office and where appropriate/feasible regional technical policy and programme advisors as well as other stakeholders. The Inception Workshop is crucial to building ownership for the project results and to plan the first year annual work plan.

The Inception Workshop should address a number of key issues including:

a) Assist all partners to fully understand and take ownership of the project. Detail the roles, support services and complementary responsibilities of UNDP CO and RCU staff vis à vis the project team. Discuss the roles, functions, and responsibilities within the project's decision-making structures, including reporting and communication lines, and conflict resolution mechanisms. The Terms of Reference for project staff will be discussed again as needed.

b) Based on the project results framework and the relevant GEF Tracking Tool if appropriate, finalize the first annual work plan. Review and agree on the indicators, targets and their means of verification, and recheck assumptions and risks.

c) Provide a detailed overview of reporting, monitoring and evaluation (M&E) requirements. The Monitoring and Evaluation work plan and budget should be agreed and scheduled.

d) Discuss financial reporting procedures and obligations, and arrangements for annual audit.

e) Plan and schedule Project Board meetings. Roles and responsibilities of all project organisation structures should be clarified and meetings planned. The first Project Board meeting should be held within the first 12 months following the inception workshop.

An Inception Workshop report is a key reference document and must be prepared and shared with participants to formalize various agreements and plans decided during the meeting.

Quarterly:

- Progress made shall be monitored in the UNDP Enhanced Results Based Management Platform.
- Based on the initial risk analysis submitted, the risk log shall be regularly updated in ATLAS. Risks become critical when the impact and probability are high.
- Based on the information recorded in Atlas, a Project Progress Reports (PPR) can be generated in the Executive Snapshot.
- Other ATLAS logs can be used to monitor issues, lessons learned etc.. The use of these functions is a key indicator in the UNDP Executive Balanced Scorecard.

Bi-annual progress:

- Status Survey Questionnaires to indicate progress and identify bottlenecks as well as technical support needs will be carried out twice a year.

Periodic Monitoring:
A detailed schedule of project reviews meetings will be developed by the project management, in consultation with project implementation partners and stakeholder representatives and incorporated in the Project Inception Report. Such a schedule will include: (i) tentative time frames for Outcome Board meetings and (ii) project related Monitoring and Evaluation activities.
**Day to day monitoring of implementation progress** will be the responsibility of the Project Task Leader under coordination of the UNDP Climate Change Programme Coordinator and will be based on the project’s Annual Work plan and its indicators. The Project Team will inform the UNDP-CO of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion.

**Periodic monitoring of implementation progress** will be undertaken by the UNDP-CO through quarterly meetings with the project proponent, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities.

**End of Project:**
During the last three months, the project team will prepare the Project Terminal Report. This comprehensive report will summarize the results achieved (objectives, outcomes, outputs), lessons learned, problems met and areas where results may not have been achieved. It will also lay out recommendations for any further steps that may need to be taken to ensure sustainability and replicability of the project’s results.

**Audit clause:**
Audit on project will follow UNDP Financial Regulations and Rules and applicable Audit policies.

**Learning and knowledge sharing:**
Results from the project will be disseminated within and beyond the project intervention zone through existing information sharing networks and forums.

The project will identify and participate, as relevant and appropriate, in scientific, policy-based and/or any other networks, which may be of benefit to project implementation though lessons learned. The project will identify, analyze, and share lessons learned that might be beneficial in the design and implementation of similar future projects.

Finally, there will be a two-way flow of information between this project and other projects of a similar focus.

**Communications and visibility requirements:**
Full compliance is required with UNDP’s Branding Guidelines. These can be accessed at [http://intra.undp.org/coa/branding.shtml](http://intra.undp.org/coa/branding.shtml), and specific guidelines on UNDP logo use can be accessed at: [http://intra.undp.org/branding/useOfLogo.html](http://intra.undp.org/branding/useOfLogo.html). Amongst other things, these guidelines describe when and how the UNDP logo needs to be used, as well as how the logos of donors to UNDP projects needs to be used. For the avoidance of any doubt, when logo use is required, the UNDP logo needs to be used alongside the GEF logo. The GEF logo can be accessed at: [http://www.thegef.org/gef/GEF_logo.html](http://www.thegef.org/gef/GEF_logo.html). The UNDP logo can be accessed at [http://intra.undp.org/coa/branding.shtml](http://intra.undp.org/coa/branding.shtml).

Full compliance is also required with the GEF’s Communication and Visibility Guidelines (the “GEF Guidelines”). The GEF Guidelines can be accessed at: [http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20final_0.pdf](http://www.thegef.org/gef/sites/thegef.org/files/documents/C.40.08_Branding_the_GEF%20final_0.pdf). Amongst other things, the GEF Guidelines describe when and how the GEF logo needs to be used in project publications, vehicles, supplies and other project equipment. The GEF Guidelines also describe other GEF promotional requirements regarding press releases, press conferences, press visits, visits by Government officials, productions and other promotional items.

Where other agencies and project partners have provided support through co-financing, their branding policies and requirements should be similarly applied.
## M&E Workplan and Budget

<table>
<thead>
<tr>
<th>Type of M&amp;E activity</th>
<th>Responsible Parties</th>
<th>Budget US$ Excluding project team staff time</th>
<th>Time frame</th>
</tr>
</thead>
</table>
| Inception Workshop and Report | • CC Programme Coordinator  
• UNDP CO, UNDP-GEF | Indicative cost: 7,000 | Within the first two months of project start up |
| Measurement of Means of Verification of project results | • UNDP EG Analyst and CC Programme Coordinator will oversee the hiring of specific studies and institutions, and delegate responsibilities to relevant team members | To be finalized in Inception Phase and Workshop | Start and end of project |
| Measurement of Means of Verification for Project Progress on output and implementation | • Oversight by CC Programme Coordinator  
• Project Task Leader  
• Project team | To be determined as part of the Annual Work Plan's preparation | Annually prior to the definition of annual work plans |
| ARR/PIR | • Project Task Leader and team  
• UNDP CO  
• UNDP EEG | None | Not applicable for EA projects |
| Periodic status/ progress reports | • Project Task Leader and team | None | Quarterly |
| Mid-term Evaluation | • Project Task Leader and team  
• UNDP CO  
• External Consultants (i.e. evaluation team) | None | Not applicable for EA projects |
| Final Evaluation | • Project Task Leader and team  
• UNDP CO  
• External Consultants (i.e. evaluation team) | None | Not applicable for EA projects |
| Project Terminal Report | • Project Task Leader and team  
• UNDP CO  
• local consultant | None | At least three months before the end of the project |
| Audit | • UNDP CO  
• Project Task Leader and team | Indicative cost per year: 3,000 | Yearly |
| Visits to field sites | • UNDP CO  
• Government representatives | For GEF supported projects, paid from IA fees and operational budget | Yearly |
| **TOTAL indicative COST** | | **US$ 10,000 (± 5% of total budget)** | |
7. **LEGAL CONTEXT**

This Project Document shall be the instrument referred to as such in Article I of the Standard Basic Assistance Agreement (SBAA) between the Government of Armenia and the United Nations Development Programme (UNDP), signed by the parties on 8 March, 1995. The host country-implementing agency shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government co-operating agency described in that Agreement.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the executing agency and its personnel and property, and of UNDP’s property in the executing agency’s custody, rests with the executing agency.

The executing agency shall:

a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;

b) assume all risks and liabilities related to the executing agency's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The executing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via [http://www.un.org/Docs/sc-committees/1267/1267ListEng.htm](http://www.un.org/Docs/sc-committees/1267/1267ListEng.htm).

This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
### 8. ANNEXES

**Annex 1. Risk Analysis**

**RISK LOG: ARMENIA’S FIRST BIENNIAL UPDATE REPORT (FBUR) TO THE UNFCCC**

<table>
<thead>
<tr>
<th>#</th>
<th>Risk Description</th>
<th>Date Identified</th>
<th>Type of Risk</th>
<th>Impact &amp; Probability</th>
<th>Countermeasures / Management response</th>
<th>Status</th>
</tr>
</thead>
</table>
| 1  | Lack of interest amongst stakeholders to participate in the process as it may fall outside their core mandate |                 | Operational       | P = Medium I = Medium | • Experience from TNC, other previous NCs and projects indicates that it is important to involve stakeholders from the inception of the project thereby creating ownership and become part of the workplans.  
• Hold consultations with stakeholders to get their buy-in                                                                                              | Low    |
| 2  | Lack of data collection and reporting capacity within national institutions      |                 | Operational       | P = Medium I = Medium | • A training will be organised which will bring together all stakeholders from all the sectors and details will be given on the exact activity on data to be collected and how to report using the available guidelines and software | Low    |
| 3  | Unwillingness by some institutions to share data                                 |                 | Operational       | P = Low I = Low      | • Letters requesting for data will be written to heads of institutions, explaining the purpose of the data and the potential benefits thereof                                                                                             | Low    |
| 4  | The national validation of the First Biennial Update Report may take longer than planned | 29/10/2013      | Operational       | P = Low I = Low      | • The corresponding background information and policy framework will be presented and provided beforehand                                                                                                                        | Low    |
| 5  | Staff turn-over                                                                 | 29/10/2013      | Organizational    | P = Low I = Low      | • Stakeholders are encouraged to nominate more than one technical staff                                                                                                                             | Low    |
Annex 2. Terms of Reference of Key Personnel

1. Project Task Leader

General:
Under the overall supervision of the Project National Coordinator (PNC) and UNDP CO Head of Environment & Energy Unit and direct day to day supervision of the Climate Change Programme Coordinator, the Project Task Leader shall be responsible for the overall day-to-day management, co-ordination and delivery of outputs of the First Biennial Update Report. The cumulative performance of this position will be assisting Armenia in the preparation of its First Biennial Update Report (FBUR) for the fulfilment of the obligations under the United Nations Framework Convention on Climate Change (UNFCCC).

Duties and Responsibilities:

i) Supervise and ensure the timely implementation of the project relevant activities in accordance with approved Project Document;

ii) Coordinate, lead and monitor project implementation activity;

iii) Monitor work plan implementation;

iv) Provide substantive support in identifying and recruiting the competent staff and subcontractors, formulate their responsibilities as well as appraise their performance;

v) Monitor and analyze the adequacy and content of the technical reports and project deliverables to achieve the project outcomes/outputs;

vi) Liaise with the Government, regional and local authorities, private sector, civil society organizations, and international partners to ensure participatory approach for achievement of project objectives;

vii) Collaborates with all relevant stakeholders and other partners to ensure their involvement in the BUR development process;

viii) Organize and coordinate expert information exchanges nationally, regionally and internationally (if desired) and between participating institutions;

ix) Analyze the outputs and summarize the results of the project;

x) Ensure organization of workshops and other meetings, prepare briefing notes, background papers and make presentations;

xi) Ensure that the BUR development process is in the line with UNFCCC guidance and contributes to the improvement of the UNFCCC reporting process;

xii) Prepare administrative, technical and financial reports, in accordance with the Project Document and reporting requirements for GEF, UNDP and MNP.

Required qualification

Education: Advanced University Degree in environmental management, energy, economics, business administration, management and other related fields.

Experience: Minimum of 5 years of related working experience in project implementation and management. The experience in international project management is an advantage. Demonstrated ability of cooperation with stakeholders: government officials, scientific institutions, NGOs, private sector and international financing institutions. Experience with UNDP-GEF project implementation procedures is highly desirable.

Languages: Excellent knowledge of Armenian and English, with exceptional writing skills. Ability to review, prepare and present training material and make oral presentations, both in Armenian and English.
Other skills: Strong interpersonal and communication skills, ability to take decisions. Good knowledge of computer software (MS Office, and task relevant specific software).

2. Administrative and Finance Assistant
The Administrative and Finance Assistant will work under the direct supervision of the National Project Coordinator and Project Task Leader and provide assistance to project implementation in the mobilization of inputs, the organization of training activities and financial management and reporting.

Duties and Responsibilities:
The Administrative and Finance Assistant will be responsible of the following duties:
(i) Prepare all payment requests, financial record-keeping and preparation of financial reports required in line with NIM financial rules and procedures;
(ii) Assistance to the recruitment and procurement processes, checking the conformity with UNDP and the Government rules and procedures;
(iii) Assistance to the organization of in-country training activities, workshops and seminars, team meetings, ensuring logistical arrangements;
(iv) Preparation of internal and external travel arrangements for project personnel;
(v) Maintenance of equipment ledgers and other data base for the project;
(vi) Routine translation/interpretation during projects meetings and drafting of meeting minutes and correspondence as required.;
(vii) Maintain project filing;
(viii) Other duties which may be required.

Required qualification
Education: University degree, some training in business and/or administration desirable (finance or accounting).
Experience: At least five years administrative experience.
Skills: Good organizational skills, good computer skills, including spread-sheets and database.
Languages: Fluent in Armenian and English.

Local Consultants

3. National GHG Expert
The main objective of this consultancy is to undertake the national GHG emissions inventory for 2012 (period 2010-2012) using the UNFCCC recommended 2006 software for the categories: Energy; Industrial Processes; Agriculture, Forestry and Other Land Use; Waste. The consultant(s) will work closely with an established national GHG working group consisting of members from the emitting sectors.

Duties and Responsibilities:
(i) Assist the Project Task Leader in establishing the team of experts for performing the GHG inventory as per the 5 emitting sectors;
ii) Assist and coordinate the National GHG inventory team in data collection/ interaction with data providers for preparation of inventory for 2010-2012 according to 2006 IPCC guidelines;  
iii) Develop detailed work plan for GHG inventory on the basis of the overall project work plan;  
iv) Coordinate the necessary activities for the calculation and update of national emission factors for key source categories;  
v) Fill-in and prepare worksheets, summary tables, uncertainty management for 2012 GHG national inventory;  
vii) Incorporate comments received from the review process in the inventory report;  
ix) Back-stopping and quality assurance.  

Deliverables  
i) Written report of the GHG Inventory for the sectors together with and an executive summary. This section of the report needs to be consistent, comparable, transparent and accurate, and also coherent with other sections of the national GHG Inventory report  
ii) For each source, a description of the methodology, the sources of data (activity data, emission factors, methodologies), the actual data and a description of uncertainties, including assessment of uncertainties  
iiii) For each source, a description of the methodology, the sources of data (activity data, emission factors, methodologies), the actual data and a description of uncertainties, including assessment of uncertainties  
iii) Figures and tables to show emissions share at national level and by sector  
iv) Worksheets (calculation sheets) showing how emissions are calculated, including all parameters used for calculations  
v) Tables of annual emission and removal estimates by source, with estimates expressed in units of mass/year and the year or years represented clearly noted  
vi) Other informative background data (e.g., a national energy balance, a description of GHG sources that are believed to be important but cannot be estimated)  
iiii) For each source, a description of the methodology, the sources of data (activity data, emission factors, methodologies), the actual data and a description of uncertainties, including assessment of uncertainties  
vii) Capacity building and training of the national GHG inventory working group  

4. National GHG Inventory Management and Database Expert  

Overall Objective:  

The main objective of this consultancy is to assist to set-up a GHG Inventory Management and Database. This is done in order to ensure that Armenia meets its reporting requirement and GHG inventory information and data is well kept and managed and to strengthen the national capacities for the preparation of the national communications on a continuous basis. The specific objectives include: induct and train the selected national institution in charge of GHG inventory and database management; assist in set-up a GHG management and a database within assigned unit.  

Duties and Responsibilities:  
i) Training and capacity building of assigned unit personnel on inventory and database management to ensure sustainability of the National Inventory Management System  
ii) Asses and propose to various options of GHG inventory management and setting up a GHG database
iii) To collaborate with the GHG inventory expert in supporting the process of establishment of the National GHG Inventory Management System in the assigned institution.

iv) Assist the GHG inventory experts in data entry, uploading and storage of GHG inventory information.

5. National Climate Change Mitigation Expert

Overall Objective:

The main objective of this consultancy is to prepare a mitigation analysis that responds to Armenia’s national circumstances along with a strategy for their implementation and their effects investigated. The final objective of this chapter is the Identification, formulation and prioritization of programmes containing measures to mitigate climate change within the framework of sustainable and low carbon development.

Duties and Responsibilities:

Based on an outline prepared by the lead consultant, the following tasks should be taken to achieve the goals:

i) Assist the Project Task Leader in establishing the team of experts for performing the CC mitigation analysis;

ii) Assist the National Mitigation team in data collection and analysis of relevant information regarding the mitigation actions (mitigations analysis);

iii) Assist the National Mitigation team in development of Baseline and mitigation scenarios until 2030 for abatement of GHG emissions;

iv) Assist the National Mitigation team in investigation of the effects of the mitigation actions

v) Prepare a report on the mitigation actions which will form a basis for the preparation of Nationally Appropriate Mitigation Actions (NAMAs);

vi) Assist the National Mitigation team in development Standardized baseline for the electrical grid of Armenia to facilitate procedures of NAMAs for energy efficiency and renewable energy projects;

vii) Initiate the NAMA preparation process, including production of a report containing a description on the national arrangements to enable the implementation and formulation of NAMA in energy sector of Armenia.

Deliverables:

i) Draft outline of the Mitigation analysis report

ii) Workshops to raise awareness among stakeholders and to present the results of the GHG mitigation analysis and draft a national mitigation action plan.

iii) Draft report and the Executive Summary including a description of the methodologies, uncertainties of the analysis, data gaps, to prepare the analysis. This report should be shared for consideration with the most relevant stakeholders.

iv) Report on implementation of NAMA ( Standardized baseline for the electrical grid of Armenia and description on the national arrangements to enable the implementation and formulation of NAMA in energy sector of Armenia)

v) Final report. The final report should include comments from all stakeholders above mentioned.
Excellency,

1. Reference is made to consultations between officials of the Government of Armenia (hereinafter referred to as “the Government”) and officials of UNDP with respect to the provision of support services by the UNDP country office for nationally managed programmes and projects. UNDP and the Government hereby agree that the UNDP country office may provide such support services at the request of the Government through its institution designated in the relevant programme support document or project document, as described below.

2. The UNDP country office may provide support services for assistance with reporting requirements and direct payment. In providing such support services, the UNDP country office shall ensure that the capacity of the Government-designated institution is strengthened to enable it to carry out such activities directly. The costs incurred by the UNDP country office in providing such support services shall be recovered from the administrative budget of the office.

3. The UNDP country office may provide, at the request of the designated institution, the following support services for the activities of the programme/project:
   (a) Identification and/or recruitment of project and programme personnel;
   (b) Identification and facilitation of training activities;
   (a) Procurement of goods and services;

4. The procurement of goods and services and the recruitment of project and programme personnel by the UNDP country office shall be in accordance with the UNDP regulations, rules, policies and procedures. Support services described in paragraph 3 above shall be detailed in an annex to the programme support document or project document, in the form provided in the Attachment hereto. If the requirements for support services by the country office change during the life of a programme or project, the annex to the programme support document or project document is revised with the mutual agreement of the UNDP resident representative and the designated institution.

5. The relevant provisions of the SBAA between the Authorities of the Government of Armenia and the United Nations Development Programme (UNDP), signed by the Parties on 8 March 1995, including the provisions on liability and privileges and immunities, shall apply to the provision of such support services. The Government shall retain overall responsibility for the nationally managed programme or project through its designated institution. The responsibility of the UNDP country office for the provision of the support services described herein shall be limited to the provision of such support services detailed in the annex to the programme support document or project document.

6. Any claim or dispute arising under or in connection with the provision of support services by the UNDP country office in accordance with this letter shall be handled pursuant to the relevant provisions of the SBAA.

7. The manner and method of cost-recovery by the UNDP country office in providing the support services described in paragraph 3 above shall be specified in the annex to the programme support document or project document.
8. The UNDP country office shall submit progress reports on the support services provided and shall report on the costs reimbursed in providing such services, as may be required.

9. Any modification of the present arrangements shall be effected by mutual written agreement of the parties hereto.

For the Government

Signature: ……………………..

Aram Harutyunyan
Minister of Nature Protection
of the Republic of Armenia

Date:…………………..

Signed on Behalf of UNDP

Signature: ……………………..

Bradley Busetto
UN Resident Coordinator
UNDP Resident Representative in Armenia

Date:…………………..
DESCRIPTION OF UNDP COUNTRY OFFICE SUPPORT SERVICES

1. Reference is made to consultations between the Ministry of Nature Protection, the institution designated by the Government of Armenia and officials of UNDP with respect to the provision of support services by the UNDP country office for the nationally managed "Armenia’s First Biennial Update Report 2014 to the UNFCCC" Project ID 00089335.

2. In accordance with the provisions of the letter of agreement signed and the project document, the UNDP country office shall provide support services for the Programme [or Project] as described below.

3. Support services to be provided:

<table>
<thead>
<tr>
<th>Support services (insert description)</th>
<th>Schedule for the provision of the support services</th>
<th>Cost to UNDP of providing such support services as per the UPL (where appropriate)</th>
<th>Amount and method of reimbursement of UNDP per unit (where appropriate)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Payment Process</td>
<td>Ongoing throughout implementation when applicable</td>
<td>21.61</td>
<td>UNDP will directly charge the project upon provision of services, on a quarterly basis</td>
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<td>2. New vendor creation in ATLAS</td>
<td>Ongoing throughout implementation when applicable</td>
<td>10.75</td>
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<td>3. Payroll validation</td>
<td>Ongoing throughout implementation when applicable</td>
<td>21.68</td>
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<td>4. Leave monitoring</td>
<td>Ongoing throughout implementation when applicable</td>
<td>3.10</td>
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<td>5. SC recruitment, including March-April 2014</td>
<td>145.21</td>
<td>As above</td>
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</tr>
<tr>
<td>5a. Advertisement</td>
<td></td>
<td>29.04</td>
<td></td>
</tr>
<tr>
<td>5b. Short listing</td>
<td></td>
<td>58.08</td>
<td></td>
</tr>
<tr>
<td>5c. Contract Issuance</td>
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<td>58.08</td>
<td></td>
</tr>
<tr>
<td>6. IC recruitment, including</td>
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<td>6a. Advertisement</td>
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<tr>
<td>6b. Short listing</td>
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<td>6c. Contract Issuance</td>
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<td>7. Issue IDs</td>
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<td>8. F10 Settlement</td>
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<td>9. Ticket request</td>
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<table>
<thead>
<tr>
<th></th>
<th>Description</th>
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<th>Cost</th>
<th>Notes</th>
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<td>Hotel reservation</td>
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<td>Visa request</td>
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<td>12.</td>
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<td>12a.</td>
<td>Identification and selection</td>
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<td>12b.</td>
<td>Contracting/Issue PO</td>
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<td>Follow-up</td>
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<td>13.</td>
<td>Procurement not involving review bodies</td>
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<td>13a.</td>
<td>Identification and selection</td>
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<td>54.94</td>
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<tr>
<td>13b.</td>
<td>Contracting/Issue PO</td>
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<tr>
<td>13c.</td>
<td>Contract follow-up</td>
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**Total: US$ 4,200.00**