



UN JOINT SDG FUND: FIRST CALL ON SDG FINANCING



A. COVER PAGE

1. Fund Name: Joint SDG Fund

2. MPTFO Project Reference Number:

3. Joint programme title: Making Finance Work for Transformative Change in Armenia: UN-locking Finance for Armenia 2030

4. Short title: UN-locking Finance 4 Armenia 2030

5. Country and region: Armenia, Southern Caucasus

6. Resident Coordinator Mr. Shombi Sharp, shombi.sharp@un.org

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Mr. Dmitry Mariyasin, UNDP Resident Representative, Dmitri.mariyasin@undp.org

8. Government Joint Programme focal point: Mr. Sedrak Barseghyan, Advisor to the Deputy Prime Minister, sedrak.barseghyan@gov.am

9. Short description: The current wave of reforms in Armenia, triggered by the “velvet revolution” in 2018, has created a unique momentum for transformation in Armenia. So far 20+ new sectoral strategies have been rolled out and an overall national development strategy – the Armenia Transformation Strategy (ATS) 2050 – is being developed. However, the ATS risks remaining a vision rather than becoming a vehicle for change if associated strategies and policies are not properly costed and aligned with integrated financing frameworks. To this end, the Joint Programme is designed to (i) help the Government create clear links between policies, planning and budgeting processes (horizontal workstream); and (ii) deploy innovative and evidence-driven mechanisms to leverage partnerships and multiple sources of finance towards three priority areas in Armenia - climate change, food security and human capital (vertical workstream).

The two workstreams coincide with the three levels of action highlighted in the Decade of Action – global, local and people – and will jointly contribute to SDG acceleration in Armenia. Focus will be on increasing the understanding of national financing needs and gaps and help channel resources towards sectors that disproportionately benefit vulnerable groups, including women. In line with the Theory of Change of the Joint Programme, investments in these sectors will in turn have a knock-on effect on other sectors, thus promoting sustainable development across all dimensions of the 2030 Agenda.

10. Keywords: Public Finance Management, SDGs, Budgets4SDGs, Development Finance Assessments, Development Finance Frameworks, Integrated National Financing Framework (INFF), Climate Change, Food Security, Human Capital

11. Overview of budget

Joint SDG Fund contribution	USD 998,330.00
Co-funding (UNDP, UNICEF and WFP contributions) ¹	USD 642,000.00

¹ The Joint Programme sets out to leverage co-funding from the World Bank for the proposed diaspora finance feasibility study (Activity 1.3.1) in the first six months of project implementation. A minimum of USD 200,000 will also be leveraged from the EU (through UNDP) as part of the development of a Donor Assistance Database (Activity 1.3.4).

TOTAL	USD 1,640,330.00
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12. Timeframe:

Start date	End date	Duration (in months)
1 June 2020	31 May 2022	24 months

13. Gender Marker: 2

14. Participating UN Organizations (PUNO) and Partners:

14.1 PUNO:



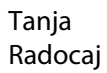
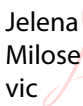
- Convening agency:
 - UNDP, Mr. Dmitry Mariyasin, Resident Representative, dmitri.mariassin@undp.org, +374 60 530000 (ext. 106)
- Other PUNOs:
 - UNICEF, Ms. Radocaj Tanja, Representative, tradocaj@unicef.org, +374 10 580 174
 - WFP, Ms. Jelena Milosevic, Representative and Country Director, jelena.milosevic@wfp.org, +374 10 580 538

14.2 Partners

- National authorities:
 - Office of the Deputy Prime Minister – Mr. Sedrak Barseghyan, Advisor to the Deputy Prime Minister, sedrak.barseghyan@gov.am, +374 10 51-58-10
 - Ministry of Finance – Mr. Karen Brutyan, First Deputy Minister, karen.brutyan@minfin.am, +374 11 800 156
- Civil society organizations:
 - The JP will work with a large number of CSOs, including Women Rights Groups, e.g. through the National SDG Council, the extended Gender Thematic Group and other UN-led coordination mechanisms.
- Private sector:
 - Partners from the private sector will be identified during JP implementation.
- International Financial Institutions
 - World Bank – Ms. Sylvie Bossoutrot, Country Manager, S.bossoutrot@worldbank.org, +374 91 405060
 - International Monetary Foundation – Ms. Yulya Ustyugova, Resident Representative, rr-arm@imf.org, +374 10 528 960
- Other partners:
 - European Commission and EU Delegation to Armenia – Mr. Gonzalo Serrano De La Rosa, Head of Cooperation Section, gonzalo.serrano-de-larosa@eeas.europa.eu, +374 10 546 494

SIGNATURE PAGE

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Resident Coordinator <i>Name:</i> Shombi Sharp <i>Date and Signature</i>  31 March 2020	National Coordinating Authority <i>Name of institution</i> <i>Name of representative</i> <i>Date</i> <i>Signature and seal</i>
Participating UN Organization (lead/convening) <i>Name of PUNO:</i> UNDP <i>Name of Representative:</i> Dmitry Mariyasin <i>Date</i> <i>Signature and seal</i>  31-Mar-2020	
Participating UN Organization <i>Name of PUNO:</i> UNICEF <i>Name of Representative:</i> Tanja Radocaj <i>Date</i> <i>Signature and seal</i>  <div data-bbox="625 751 738 823"> <small>Digitally signed by Tanja Radocaj Date: 2020.03.30 15:34:30 +04'00'</small> </div>	
Participating UN Organization <i>Name of PUNO:</i> WFP <i>Name of Representative:</i> Jelena Milosevic <i>Date</i> <i>Signature and seal</i>  <div data-bbox="820 856 917 961"> <small>Digitally signed by Jelena Milosevic DN: cn=Jelena Milosevic, o=World Food Programme, ou, email=jelena.milosevic@wfp.org, c=AM Date: 2020.03.30 16:32:00 +04'00'</small> </div>	

B. STRATEGIC FRAMEWORK

1. Call for Concept Notes: SDG Financing (2/2019) – Component 1

2. Programme Outcome [pre-selected]

- Additional financing leveraged to accelerate SDG achievement (Joint SDG Fund Outcome 2)

3. UNDAF Outcomes and Outputs

3.1 2016-2020 UNDAF Outcomes

- Outcome 1. By 2020, Armenia's competitiveness is improved and people, especially vulnerable groups, have greater access to sustainable economic opportunities.
- Outcome 2. By 2020, people benefit from improved systems of democratic governance and strengthened protection of human rights.
- Outcome 3. By 2020, Armenia has achieved greater progress in reducing gender inequality and women are more empowered and less likely to suffer domestic violence.
- Outcome 5. By 2020, vulnerable groups have improved access to basic education and social protection services and participate in their communities.
- Outcome 6. By 2020, quality health services are accessible to all, including especially vulnerable groups.
- Outcome 7. By 2020 Sustainable Development principles and good practices for environmental sustainability resilience building, climate change adaptation and mitigation, and green economy are introduced and applied.

3.2 2016-2020 UNDAF Outputs

- Output 1.6. Strengthened value chains, additional and more effective producer groups, increased rural incomes and employment, improved food security and greater consumer access to more affordable, better quality food.
- Output 2.1. Better coordinated mechanisms to ensure the implementation of a system of protection of human rights and meeting of international obligations.
- Output 3.4. Supporting benchmarking, measurement frameworks, and aid coordination in human rights and gender equality.
- Output 3.6. Advocating for improvement and implementation of gender-sensitive legislation and institutionalization of policies and programs for promoting gender equality and responding to gender-based violence.
- Output 5.1. Increased access to early learning, particularly in cultural and educational institutions, for most vulnerable groups, including in times of shocks and stresses.
- Output 5.7. An integrated social protection system that identifies and responds to the income poverty and multiple deprivations of vulnerable children and their families.
- Output 6.2. Strengthened national capacity to provide quality maternal and child health services for the most disadvantaged and excluded.
- Output 7.1. Provide policy advice and advocacy to strengthen the links between sustainable environment, disaster risk management and economic development and enhance national capacities to fulfil commitments under ratified multilateral environmental agreements (MEAs).
- Output 7.9. Assist the Government in addressing Climate Change and Energy Efficiency related concerns

4. SDG Targets directly addressed by the Joint Programme

3.1 List of goals and targets:

SDGs:	Targets
SDG 1: End poverty in all its forms everywhere	1.a & 1.b
SDG 2: End hunger, achieve food security and improved nutrition and promote sustainable agriculture	2.1
SDG 3: Ensure healthy lives and promote well-being for all at all ages	3.2
SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all	4.1
SDG 5: Achieve gender equality and empower all women and girls	5.c
SDG 13: Take urgent action to combat climate change and its impacts	13.2
SDG 16: Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels	16.6
SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development	17.3, 17.14, 17.15 & 17.16

3.2 Expected SDG impact

The **horizontal workstream** of the JP will contribute to accelerated SDG implementation and the creation of an SDG financing ecosystem through the design and promotion of pro-poor and gender-sensitive policies and government frameworks (SDG1b and SDG5c), the development of effective, accountable and transparent institutions at all levels (SDG16.6), enhanced policy coherence for sustainable development (SDG17.14 and 17.15); and the development of a sound institutional architecture to ensure mobilization of resources from a variety of sources (SDG 1a, 17.3 and 17.16). Accelerated achievement of these targets will in turn service as an “SDG multiplier” by enabling progress across all other SDGs. The **vertical workstream**, on the contrary, will contribute to improved service delivery in targeted sectors (climate change, food security and human capital) during the second half of the JP and the years to follow thereafter, particularly providing opportunities for accelerated implementation across the outcome-oriented SDG targets 2.1, 3.2, 4.1 and 13.2.

5. Relevant objective(s) from the national SDG framework

The current Government Programme for Armenia, which underpins the overall national development strategy – the Armenia Transformation Strategy (ATS) 2050, outlines the following four SDG-aligned objectives/goals for the period 2019-2023:

- **Expanding the opportunities for economic activities**, including improving the investment climate and growth in private investment and promoting businesses, entrepreneurship, innovation, employment and creativity through increased access to finance;
- **Enhancing efficiency in governance**, including transitioning to a policy-making model based on strategic planning and evidence and data analysis; cost-effective public financial management; strengthening the capacity of the national statistical system; and institutionalizing participatory management by ensuring that stakeholders are truly engaged;
- **Developing human potential**, including developing the required professional potential for structural changes through modernization of the education and science sectors; protecting the rights and dignity of persons with disabilities and ensuring their social inclusion; modernizing and improving the health sector, ensuring affordability and access to health services; developing the social protection sector by improving the targeting; alleviating poverty through work and education; and empowering women

(economically and politically) as well as creating favourable conditions for the exercise of equal rights and opportunities for women and men; and

- **Developing and expanding access to reliable infrastructure**, including developing renewable energy and energy-saving systems; modernizing water system management; and implementing projects supporting irrigation systems upgrades and introducing a system of agricultural insurance.

6. Brief overview of the Theory of Change of the Joint programme

The overarching Theory of Change for the JP is that IF the link between medium and long-term planning and financing is strengthened and the ecosystem for public and private SDG financing improved, THEN the GoA will be better equipped to mobilize, target and use multiple sources of private and public financing for the achievement of its economic, social and environmental development objectives by 2030.

7. Trans-boundary and/or regional issues

Although the potential socio-economic, political and financial impacts of COVID-19 are not yet fully understood in Armenia, the current crisis represent a significant trans-boundary as well as regional issue for the country as a whole. Accordingly, the Joint Programme will maintain flexibility to ensure that the priorities for financing the SDGs are articulated with a better understanding of the implications of the crisis as this develops. In addition, risk management will be integrated into the finance strategy to ensure that the future risks of COVID-19 as well as other pandemics and exogenous shocks are better mitigated.

C. JOINT PROGRAMME DESCRIPTION

1. Baseline and Situation Analysis

1.1 Problem statement

Rising inequality and governance issues are usually described as the root causes of the 2018 “velvet revolution” in Armenia, which resulted in a complete political transformation in 2019. Grounded in renewed commitments to human capital development, improved opportunities for inclusive economic growth and human-centred governance, the Government of Armenia (GoA) has embarked a wide and complex set of reforms proactively looking for solutions that would help the country leap-frog development wise. So far 20+ new sectoral strategies have been rolled out, including the recently adopted Public Finance Management (PFM) Strategy as the building blocks of these reforms. The reform of programme-based budgeting in the country, which materialized for the 2019 State Budget offers additional opportunities for greater financial accountability and more effective and efficient utilization of existing resources. In parallel, an overall national development strategy is being designed - Armenia Transformation Strategy (ATS) 2050, with 16 megagoals to be operationalised by 2030. This document, to be adopted in 2020, by design and timeframe establishes the interconnection between the national sectoral priorities and the SDG platform.

While the GoA has undertaken steps to develop coordination mechanisms for the nationalization of the SDGs, including the establishment of a National SDG Council, the operational mechanisms and capacity to link reform strategies and policies to the SDGs and various types of financing resources still need to be developed. Importantly, there is a lack of explicit guidance on how to link the ATS and the sectoral strategies with budgeting processes and the strategies are yet not underpinned by sound evidence and financial frameworks for efficient and effective implementation. According to the 2019 SIGNA Public Finance Assessment Report, the strategic framework of public administration reform (PAR) is also incomplete. Strategies often lack clarity in setting reform objectives with corresponding outcome-level indicators and targets, and do not sufficiently provide costings nor monitoring and reporting arrangements. As a result, it is not possible to assess progress against the strategic objectives nor on implementation of GoA strategies. Policy information presented in the Medium-Term Expenditure Framework (MTEF) is not clearly linked to sectoral strategies and tends to only present aggregated information on general government budget revenue and expenditures. This lack of disaggregated data by gender, age or geography makes budgetary analysis and decision making difficult, not least from an equity and gender equality perspective. Citizens have limited participation in budget-making and implementation; thus, accountability and transparency of decision-making is weak.

Armenia’s **public finance sector is comparatively small** and fluctuates at around 26% of GDP and the MTEF for 2019-2021 provides for a general Government deficit of 2.3% in 2020. The fiscal space is thus insufficient and inadequate to address the type of challenges that the ATS and the SDGs uncover, not least when considering the potential impacts of the COVID-19 crisis in Armenia². Despite a 20%+ increase in its Human Development Index since independence, the progress has led to a weak and unevenly distributed growth among its population. **23.5% of the population lives below the poverty line** while more than 80% of the population continues to live on less than \$10/day (PPP) and **15.3% is food insecure** (ArmStat, 2019). The “precarariat” numbers are also on the rise, and so are major inequalities, especially between urban and rural areas, and women and men. The World Bank’s Human

² Whilst the potential impacts of COVID-19 are not yet fully understood when the project proposal is developed, the UNCT and JP team in Armenia will closely monitor the situation and maintain flexibility to ensure that the priorities for financing the SDGs are articulated with a fuller understanding of the implications of the current crisis. This will also include measures to ensure that future risks of pandemics and other exogenous shocks are better mitigated.

Capital Index shows that children born today will use only 57% of their potential as adults, resulting in significant losses for the society. **Gender disparities**, with particularly low female labour force participation and a wide gender wage gap further hinder Armenia's growth prospect. Armenia is also one of the most **vulnerable countries in the Europe and Central Asia (ECA) region to climate change** which has significant implications on the resilience, competitiveness and well-being of its population.

The Armenian Statistical Committee (ArmStat) estimates that the country needs to invest 63.2 billion AMD or 1.1% of GDP to overcome poverty. However, **the proportion of total government spending on essential services remains relatively low**, with public spending on education, health and social protection amounting 2.0%, 1.3% and 6.6% of GDP respectively in 2018. This represent significant lower levels than the average country in ECA (World Bank 2019). Moreover, **out-of-pocket health expenditure is high, social services are underfunded and there is underinvestment in early childhood**. Considering the multidimensionality of poverty, actual needed resources to overcome poverty and boost human capital are much more. Similarly, the share of nature use and environmental fees to GDP is around 0.3%, whereas the average damage from depreciation of natural capital due to resource economic activities in developing countries stands at 8-10% of GDP annually.

Yet, the GoA faces **significant challenges in attracting adequate financial resources as well as using different types of finance** to their respective comparative advantages and in an integrated manner. While foreign public flows from donor agencies and IFIs towards the SDGs has been significant, they may dry up in the future due to high external debt/GDP and Armenia's graduation to an upper middle-income country. **Donor assistance coordination is underdeveloped**, which has limited the ability to effectively use ODA in underserved sectors, regions and communities. Furthermore, IFIs' investment criteria are often not adequate to the scale, return expectations and investment horizon of Armenian projects.

The **involvement of the private sector** and Armenia's diaspora of roughly 6 million individuals **is also considered to be much below its potential**. Concessions and other public-private partnerships (PPPs) are not yet comprehensively regulated and Diaspora investments and business participation is relatively low. Banks and credit organisations tend to work in silos and often fail to support vulnerable groups and those furthers behind. Armenia has nonetheless made great progress towards the liberalisation of its economy. As per the World Bank, Armenia ranks first among the CIS countries in terms of FDI appeal, and the UNCTAD World Investment Report shows that FDI inflows to Armenia increased in 2018.

Though, **Armenia remains strongly dependent on the economic health of the Russian and EU economies for FDI**, for which a decline in FDI is to be expected in the aftermath of the COVID-19 crisis. Weak policy and market incentives for human capital and green investments further limits the SDG 'knock-on' effect that investments in these sectors will have according to Armenia's Mainstreaming, Acceleration, and Policy Support (MAPS) Report.

As such, **the ATS risks remaining a vision rather than becoming a vehicle for change** and could result in low performance of the public sector and an increase in budget deficit, expenditures and internal debt. **This calls for a systemic change for mobilization and re-alignment of public and private financial resources (domestic and international) towards sectors which can bring sustainable economic, social and environmental results**. To this end, **the GoA needs to create clear links between policies, planning and budgeting process and deploy innovative and evidence-driven mechanisms to leverage partnerships and multiple sources of development finance to bridge its investment gaps**. This will include measures that can help the GoA develop **capacities to assess its financing framework as a whole, guide thinking about new financing options** that can support investments in sectors that disproportionately benefit women, poor and vulnerable groups, and **strengthen medium and long-term planning by better aligning financial market incentives with longer-term development goals/the SDGs**.

1.2 SDGs and targets

The JP sets out to promote integrated policy and financing frameworks, strategies and other means to effectively unlock and direct sources of finance toward accelerating Armenia's progress towards the SDGs. This will be achieved through the delivery of interconnected activities that directly will contribute to achieving the SDG targets- three process targets and nine outcome targets - across SDG 1, 2, 3, 4, 5 13, 16 & 17. Given the cross-cutting nature of the SDG, the JP will also help accelerate achievements of other SDG targets indirectly related to poverty, food security, health, education, climate resilience, gender equality, affordable and clean energy, strong institutions and partnerships. The JP, through its SDG budget component, will also contribute to enhanced SDG reporting.

The table below lists all 12 SDG targets in direct focus of the JP, including national baseline data provided by ArmStat.

Targets	Baseline data
1.a: Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions	Proportion of total government spending on essential services (education, health and social protection): 42.7% (2018)
1.b: Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions	Proportion of government recurrent and capital spending to sectors that disproportionately benefit women, the poor and vulnerable groups: No data available
2.1: By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round	Prevalence of undernourishment: 9.7% (2017) Prevalence of moderate or severe food insecurity in the population, based on the Food Insecurity Experience Scale (FIES): 34.3% (2017)
3.2: By 2030, reduce the global maternal mortality ratio to less than 70 per 100,000 live births	Under-five mortality rate: 8.7/1000 live births (2018)
4.1: By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes	Proportion of children at the end of lower secondary achieving at least a minimum proficiency level in (i) reading and (ii) mathematics: 89.2% (2018)
5.c: Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	Availability of a system to track and make public allocations for gender equality and women's empowerment: no (2020)
13.2: Integrate climate change measures into national policies, strategies and planning	No data available
16.6: Develop effective, accountable and transparent institutions at all levels	Proportion of population satisfied with their last experience of public services: 73.7% (2018)
17.3: Mobilize additional financial resources for developing countries from multiple sources	Foreign direct investment (FDI), official development assistance and South-South cooperation as a proportion of total domestic budget: No data available
17.14: Enhance policy coherence for sustainable development	Extent of use of country-owned results frameworks and planning tools by providers of development cooperation: No data available
17.15: Respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development	Extent of use of country-owned results frameworks and planning tools by providers of development cooperation: No data available
17.16: Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries	No data available

The JP team will monitor the progress across the listed SDG targets in close collaboration with the GoA, the National SDG Council, the Steering Committee and the DPM's Office. Planned and **actual budget expenditures related to the JP's target sectors - climate change, food security and human capital development - will be the most important tool for progress assessment** as it clearly will show how the GoA has re-aligned its spending. However, given that the recent MTEF runs up until 2021 focus will be on the next MTEF, i.e. the 2021-2023 MTEF. **Disaggregated SDG and financing data** will be used to the extent possible, accessed through the GoA's to be established integrated policy, planning and budgeting system as well as ArmStat's web-portal where national SDG data is presented. The Project's M&E framework will guide this work as well as serve as a planning and management tool for SDG data collection, analysis and reporting. **In cases where data is limited or missing, the JP will collaborate with the National SDG Innovation Lab to develop innovative ways of collecting, generating and/or analysing SDGs data.**

Building on the Joint SDG Fund's focus on SDG 17 on partnerships (particularly finance, capacity building, systemic issues and data, monitoring and accountability), significant efforts will be made to assess SDG policy coherence, multi-stakeholder partnerships, and domestic resource mobilisation as a result of JP activities. The JP's results framework, including outcome and output indicators, will provide key information in this regard. For example, **gender equality related progress**, which primarily will be captured in SDG targets 1.b and 5.c, **will be monitored across outcome and output indicators and will include as many as five gender-sensitive and SDG-related expenditure reviews and assessments.**

The JP aims to support the GoA in ensuring that the ATS is anchored in and SDG-aligned, integrated and equitable financing framework (horizontal workstream) as well as develop financial frameworks and/or options in three key Leaving No One Behind (LNOB) priority areas of Armenia (vertical workstream). The successful implementation of the **horizontal workstream** will provide the GoA with a unique opportunity to **enhance policy coherence for sustainable development in line with national priorities.** It will help strengthen its public finance management system and facilitate the development of a sound institutional architecture to ensure mobilization of resources from a variety of sources. Jointly, this will accelerate the achievement of SDG targets 1a, 1b, 5c, 16.6, 17.3, 17.14, 17.15 & 17.16. The assumption is that overall progress related to SDG 16 and 17, along with advancements in three process-oriented targets will lead the way for evidence-based plans and budgets, thus promoting sustainable and inclusive development across all policy areas.

The **vertical workstream** will help the GoA make more **informed and targeted investment decisions related to climate change, food security and human capital.** Investments in these three cross-cutting areas will yield significant returns to individuals, communities and the national economy, ultimately accelerating the achievement of the outcome-oriented SDG targets 2.1, 3.2, 4.1 and 13.2. For example, a more educated and healthier society (SDGs 2, 3 & 4) will facilitate innovation, productivity and economic growth and offset lost opportunities conditioned by vulnerabilities, gender, age, location or disability (SDGs 1, 5, 8, 10, 16 & 17). Similarly, investments towards the development of nutrition-sensitive agribusinesses will support the creation of a skilled and healthy workforce, thereby foster conditions for economic growth (SDGs 1, 2, 3, 4, 5, 8 & 17). The development of a climate change sensitive policies and financing frameworks will moreover enhance national planning capacities, spearhead mitigation action in energy production and energy consuming sectors and reduce vulnerability of economic sectors and communities to climate risks (SDGs 1, 2, 5, 8, 13 & 17).

The interlinkages between the horizontal and vertical workstreams and their target SDGs present significant opportunities for systemic change in Armenia. By aligning medium and long-term visions with the SDGs whilst strengthening the monitoring and evaluating system to collect evidence on the impacts of policies, the country will be able to foster a whole-of-government approach for SDG acceleration whilst keeping LNOB considerations in mind.

1.3 Stakeholder mapping and target groups

At the GoA level, the **Office of the Deputy Prime Minister** will be the primary stakeholder and partner for JP design and implementation, with direct participation in decision-making and development, as well as coordination with line Ministries and partners.

The to be established **National SDG Council** will be responsible for the prioritisation, inclusion and coordination of SDGs in national programmes and will act as an overall platform for JP implementation proposing guidelines and mechanisms, supporting with the monitoring of activities, and proposing when needed reforms, projects and actions to support the realisation of the SDGs within the new framework.

The **Ministry of Finance** will be the key ministerial counterpart as the Government body directly responsible for the elaboration and implementation of policies in the areas of fiscal revenue collection and public finance administration, the 2019-2023 PFM Strategy and the development of coding/tagging principles for SDG aligned programmes and projects within the MTEF/budget programme classification structure

The **Ministry of Economy**, custodian of the Agricultural Strategy, coordinator of investments towards agribusinesses and overall development-oriented interventions will actively participate in the development of the JP activities to ensure that climate change, food security and Human Capital considerations will be fully integrated and drivers of new synergies.

Ministry of Environment will be directly involved in all JP activities related to Climate Change, including the financing assessments of climate change related needs and gaps, setting budgets and promoting climate change-oriented investments through the design and application of innovative financing mechanisms.

The **Ministry of Labour and Social Affairs** will be involved in project implementation as the Government entity responsible for social and child protection, development of family-friendly policies, poverty reduction, social inclusion and promoting gender equality with focus on gender-responsive budgeting, while it will also be pivotal in supporting the identification of social protection-targeted individuals that will be supported with the implementation of activities and relevant longer-term results.

The **Ministry of Education, Science, Culture and Sport**, guardian of education policies, is guiding the development of legal and policy frameworks for the education sector, including preschool education, skills development and quality learning that with the support from UN Agencies will be able to further integrate the JP cross-cutting themes in the development agenda of the country.

The **Ministry of Health** as the key responsible actor for the development of the health care sector will play an instrumental role in all JP aspects related to maternal and child health and the support of policies and activities targeting healthier dietary habits that will positively impact on the health of the population.

Lastly, the **Ministry of Territorial Administration and Infrastructure** together with Governor's Offices and local communities will contribute to the JP to support the coordination of sub-national governance structures and the implementation of activities on the three sectors related to the JP ensuring regional decentralisation and SDG budgeting.

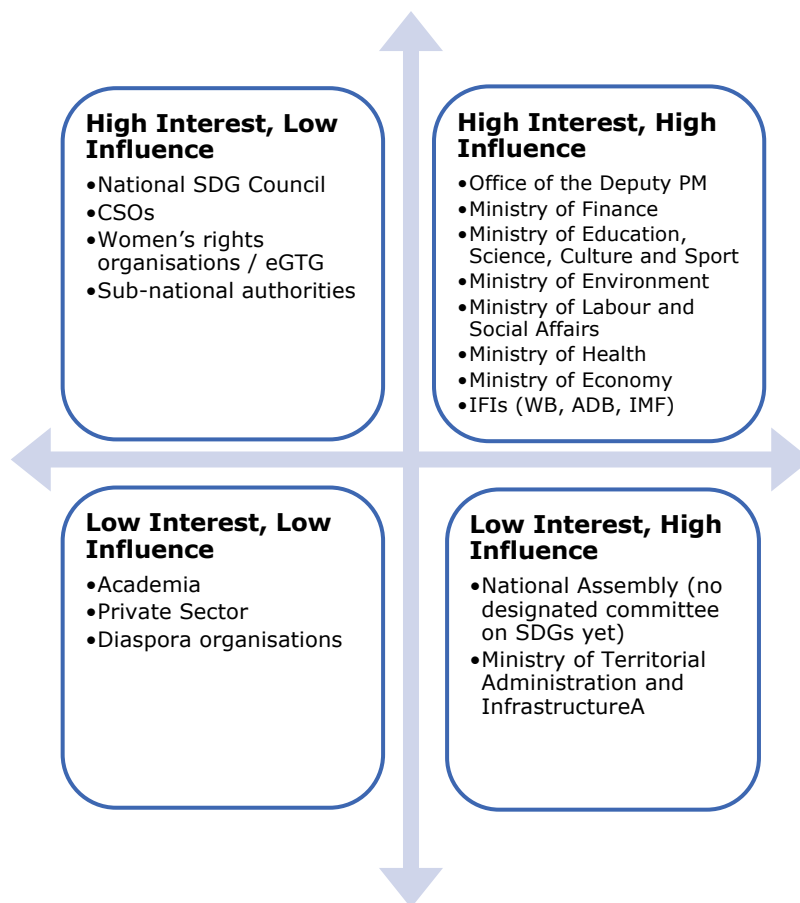
The above-mentioned ministries will benefit from better SDG-aligned and cross-linked policies and budgets, including capacity development and evidence generation on gender, age and equity considerations, for more effective, efficient and informed planning, budgeting and decision-making processes and impact on vulnerable groups of the population

To ensure an all-society approach to the JP, **the National Assembly of the Republic of Armenia** and relevant Parliamentary Committees will support with policy design and budget scrutiny for SDG alignment, ensuring effectiveness and efficiency, as well as in the

organization of public hearings for greater transparency and citizen engagement in budget- and policymaking.

The **private sector, private investors and diaspora organizations** are considered key stakeholders of the JP. Their experience and local and international market understanding will help the JP team map sector-specific financial landscapes and identify binding constraints to financing of sectoral gaps. Interested companies, individuals and investors will also be presented with opportunities to contribute knowledge, expertise, technology and invest in climate change/clean energy technology, agriculture/food security interventions and human capital development initiatives in the country. Potential partners from these sectors will be identified during JP implementation, in close collaboration with the GoA. The long-term goal is to forge new types of partnerships that will help Armenia leap-frog development wise.

Civil Society Organizations will ensure the voice of the population to be heard, the protection of human rights and the good governance of the JP. This will be achieved through their engagement, together with the SDG Council, as reference groups representing labour, employment, and tackling poverty, education, healthcare, environment and climate change, justice and protection of human rights, industry, trade & innovation, and infrastructure (energy, water, roads, transport, etc). The **extended Gender Thematic Group** and leading **women's rights organizations** and platforms will be consulted regularly and invited to follow the JP implementation, particularly in the development of family-friendly policies, the active participation of women in the national labour force, as well as advancing of gender-responsive budgeting aligned with SDG5.



The **national and international donor community** will play a key role in both the design of the JP as well as its operationalisation. IFIs will be engaged to support the realisation of innovative financing solutions, including collaborations with the World Bank to conduct the proposed diaspora feasibility study. The PUNOs will extensively engage with the EU to operationalise the DAD and link JP activities to gender-responsive budgeting.

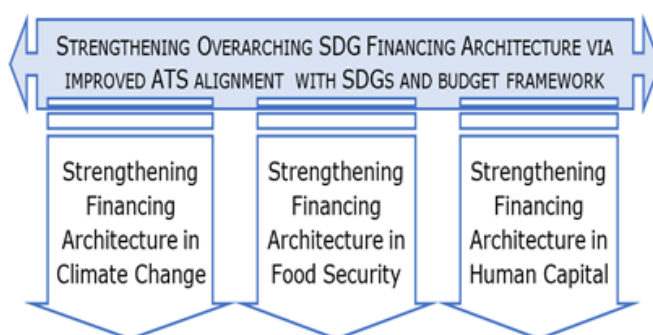
Given the cross-cutting nature of the JP, **a wider variety of vulnerable groups including rural communities, poor, women, children, etc will be supported directly and indirectly through more cohesive development-oriented interventions.** From the GoA standpoint, the JP **will support the capacity development of approximately 50 government staffs in line Ministries and the National SDG Council.**

2. Programme Strategy

2.1. Overall strategy

The current wave of reforms in Armenia, triggered by the “velvet revolution” in 2018, has created a unique momentum for transformation in Armenia. Building on these ongoing reforms as well as the GoA’s stated intention to translate the 2030 Agenda into national development strategies and plans, **the JP is designed to operationalise the ATS and sectoral strategies through an SDG integrated financial framework and strengthen the financing architecture for effective policy implementation.**

The overall strategy of the JP, based on the JP’s Theory of Change, is to simultaneously work across two workstreams: (i) promote **horizontal reforms** to build an overall SDG financing architecture that will help improve governance processes relevant to all sectors, institutions and SDGs; and (ii) **vertically deep-dive** into three LNOB priority areas for Armenia - climate change, food security and human capital - where the conventional governance, institutional and financing architecture is insufficient to deal with the cross-sectoral complexity that these sectors present. **Combined, these two workstreams will help ensure that SDG targets and indicators are reflected in Armenia’s budgeting process and aligned with national policies, including in mechanisms to monitor and evaluate the adequacy, efficacy and equitability of investment for the benefit of all Armenians.**



The JP will be implemented through the provision of **systemic support at various levels of the policy and budget cycle** (see Graph 3), thereby **preparing the GoA for the implementation of a full-fledged Integrated National Financing Framework (INFF)³ in line with the JP’s proposed roadmap.** To strengthen the overall capacity of country-led SDG actions on integrated policy and financing, the JP will carry out detailed policy assessments and work with government stakeholders (including via on-the-job coaching) to develop capacity for effective, gender-sensitive and inclusive implementation of new and innovative financing options. In this way, similar frameworks can be designed and rolled out independently by the GoA following the two-year project. The JP will moreover help bring together and deepen the collaboration between line ministries, development partners, the private sector, diaspora, CSOs, etc., and improve the synergy between their individual efforts and initiatives - including during the ongoing COVID-19 crisis. Focus will be on forging new partnerships, building strategies to mobilize and use various types of public and private finance, as well as developing coordination mechanisms and analytical capacity to improve Armenia’s post-COVID-19 recovery, socio-economic development and resilience-building.

Human rights, gender equality and LNOB considerations are central to the JP’s approach to sustainable development. In addition to providing **gender-sensitive guidelines for policy harmonisation and strengthening the link between national data and the current budget performance monitoring and reporting system**, the JP team will work closely with the MoF and the EU to align relevant JP activities with the gender-responsive budgeting component of the ongoing Public Finance Policy Reform

³ The INFF will introduce a new, more effective and integrated approach to managing public and private finances for SDG acceleration, and provide a structure for the GoA to assess its financing frameworks, strengthen the link between medium and long-term planning and financing, and guide thinking about reforms that are needed to implement a strategic, inclusive/gender-sensitive and results-driven approach to achieving its long-term vision.

Programme in Armenia. The JP will also build on the first ever child-focused public expenditure measurement exercise in the ECA Region, which was launched in Armenia in 2018 by UNICEF, linking budget expenditure to outcomes for children.

The **focus sectors of the vertical workstream** - climate change, food security and human capital - were selected in consultation with the GoA and are based on the recommendations provided in the **Armenia MAPS report** and are aligned with the objectives/goals outlined in the Government Programme 2019-2023, the draft ATS as well as the ongoing 2016-2020 UNDAF. The former **singles out green economy (including climate change), social protection (including food security) and human capital development** as three of Armenia's most important SDG accelerators. **By removing policy and financing bottlenecks in these areas the JP thus foresees supporting the delivery of transformative development benefits across multiple SDG targets.** The strong interconnections between the SDGs in these sectors will furthermore accelerate the impact of the JP, provide the GoA with examples on how to support joint multi-sectoral interventions that complement agency-specific initiative, develop government capacity to work across policy domains in an integrated manner, and to stimulate an enabling environment for SDG investments. Moreover, human capital and food security are areas that build the resilience of the communities and the society to shocks and stresses, which would be especially important during revamped post-crisis responses to COVID-19.

The JP will be led by the DPM's Office and the soon to be operationalized National SDG Council and will be implemented in close collaboration with the MoF, government experts as well as ArmStat. Non-GoA stakeholders such as the Parliament, the private sector and the civil society, including women's rights organizations, will also be involved to maximize the potential impact and sustainability of JP outputs and outcomes.

JP activities will **build on and complement ongoing UN-led or supported activities** such as the nationalisation of the SDGs, the development of the ATS and sectoral strategies, the ongoing 2016-2020 UNDAF and the development of UN's Sustainable Development Cooperation Framework 2021-2024. Synergies/cross-fertilizing with PUNO-specific project will also be explored, **capitalizing on UN in Armenia's convening power and established relationships with both the highest level of the GoA as well as line Ministries.** Where suitable, the JP **leverage national mechanisms for coordination, collaboration and partnerships** in relation to the Armenian Parliament, SDG data and statistics, private sector development and local level budgeting and planning. To the extent possible, the JP will support planned activities such as the GoA's COVID-19 response, the broader PAR initiative, and the various new initiatives designed to channel funding towards climate change/renewable energy and agriculture activities.

Following the implementation of the JP, the GoA will benefit from (i) an SDG integrated policy and finance framework; (ii) improved understanding of national financing needs, gaps and solutions in sectors that have a disproportionate impact on women, children and the most vulnerable; (iii) capacity to mobilise and use multi-source development finance; and (iv) a proposed INFF roadmap and capacity to effectively lead its operationalization and coordination. While the interventions rest on innovative financing assessments and solutions, successes in these areas will have positive spillover effects on poor, women and other vulnerable groups.

Given that the timeframe for the megagoals and the SDGs coincide, the various components of the integrated policy and finance framework, budget messages, legal and policy updates, etc. can be applied in whole or in part by the GoA until 2030. This will also include plans and strategies that have yet not been developed as the JP will ensure that guidelines and methodologies are developed, and institutional capacity is built to scale the intervention. To note is that the integrated framework also can be applied at regional and local levels.

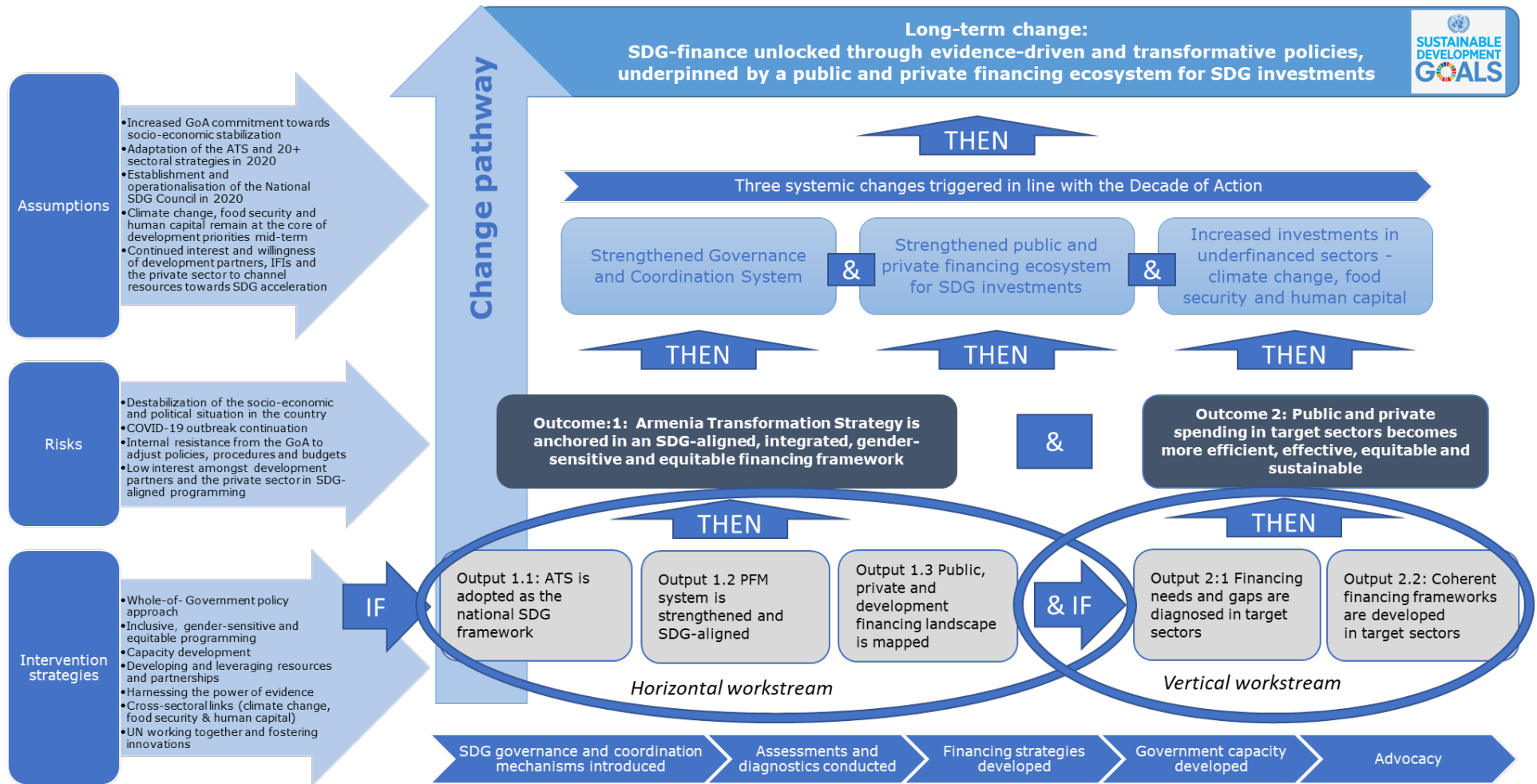
2.2 Theory of Change

The overarching theory of change (ToC) for the JP is that by strengthening the link between medium and long-term planning and financing and improving the ecosystem for public and private SDG financing, the GoA will be better equipped to mobilise, target and use multiple sources of private and public financing for the achievement of development objectives by 2030. The ToC mirrors the UN MAPS Mission report, the goals of the 2019-2023 Government programme and related strategies and closely links to EU's joint analysis on basic social services in Armenia, recommendations of human rights instruments and work of IFIs.

Assuming (i) increased citizen demand for, and GoA commitment towards stabilizing the socio-economic situation in the country, including for poor, women and other vulnerable groups (ii) adaptation of the ATS and 20+ sectoral strategies in 2020; (iii) the establishment and operationalisation of the National SDG Council in 2020; (iv) that climate change, food security and human capital remain at the core of GoA's development priorities mid-term; and (v) continued interest and willingness of development partners, IFIs and the private sector to channel resources towards SDG acceleration, the ToC statement follows:

←HORIZONTAL WORKSTREAM→		AND	↓VERTICAL WORKSTREAM↓	
IF the JP (Output 1.1, 1.2, 1.3)	... AND the GoA	IF the JP (Output 2.1, 2.2)	... AND the GoA	
<p>Provides inclusive and gender-sensitive methodological and technical support to align and harmonize medium- and long-term strategies with the nationalized SDGs;</p> <p>Supports the GoA to effectively integrate the nationalized SDGs into national budgetary and planning processes, including programme-based budgeting using appropriate financial, non-financial and SDG data;</p> <p>Conducts a DFA and identifies innovative financing options / mechanisms for ATS implementation, including develops an INFF Roadmap for DFA follow-up;</p> <p>Provides technical assistance and capacity building to operationalise the ATS and sectoral strategies through an integrated and gender-sensitive financial framework, including an SDG-aligned DAD</p> <p>AND</p> <p>Advocates, including with the Parliament, for resources to be better distributed to promote equitable spending with greater attention to gender equality and LNOB considerations</p>	<p>Adopts the country’s long-term national development strategy (the ATS) as the national SDG framework, demonstrating national ownership of the 2030 Agenda for Sustainable Development, including the SDGs;</p> <p>Continues the programme-based budgeting reform and demonstrates commitment to equity in financing by disaggregating budget data and prioritising inclusive and gender-responsive spending within Government programming;</p> <p>Shows commitment to evidence-based policy-making and budgeting, including transparency, accountability, effectiveness and efficiency of public spending;</p> <p>Cooperates with development partners on PFM reforms, SDG-aligned financing and reporting;</p> <p>Views participatory budgeting as part of the public finance reforms;</p> <p>... AND DEVELOPMENT PARTNERS and the PRIVATE SECTOR</p> <p>Show commitment and willingness in alignment of their development support to the GoA’s development priorities and the SDGs</p>	<p>Identifies financing needs and gaps for the achievement of national climate change, food security and human capital objectives, including for greater gender equality and better outcomes for vulnerable groups (children, poor etc.);</p> <p>Develops coherent, gender sensitive and equitable DFFs and/or designs innovative financing mechanisms related to climate change, food security and human capital, underpinned with appropriate financial data (costing, investment cases, etc.);</p> <p>AND</p> <p>Provides technical assistance and capacity building for the integration of DFFs, innovative financing mechanisms and investment cases into planning and budgeting systems</p>	<p>Targets new and alternative sources of development finance (public and private);</p> <p>Integrates DFFs and innovative financing mechanisms/options into planning and budgeting systems;</p> <p>Continues to prioritize spending on social sectors in post-crisis recovery, through risk-informed and evidence-based planning and budgeting;</p> <p>AND</p> <p>Demonstrates willingness and interest in entering into partnership with non-traditional stakeholders for the accelerated implementation of national development priorities, including relies on public-private partnerships as an additional mechanism for resource mobilisation</p>	
THEN (OUTCOME 1)		THEN	(OUTCOME 2)	
The ATS and targeted sectoral strategies will be anchored in an integrated and gender-sensitive financing framework where SDG targets and indicators are used to measure, monitor and evaluate the adequacy, effectiveness and equitability of the distribution of public resources for the realisation of national development objectives/SDGs		Public and private spending on climate change, food security and human security will become more efficient, effective, equitable and sustainable, underpinned by sound investment and financing options for the realisation of national strategies		

Graph 1: Joint Programme Theory of Change



The ToC statement is an integrated part of the ToC's change pathway which will trigger three systemic changes which will help the GoA achieve its 2030 development objectives:

- **Strengthened Governance and Coordination System** – refers to **improvements in the overall governance system**, including institutional and financing architecture, by bringing in the nationalised SDGs as a comprehensive, structured and measurable dimension of public policy design and implementation. Particularly, the adoption of an inclusive, gender-sensitive and integrated policy, planning and budget framework where SDG tagging/coding is embedded in the planning and budgeting processes will enable effective tracking, coordination and monitoring of ATS and sectoral strategy targets and indicators, thereby providing the GoA with qualitative and quantitative data that can be used for evidence-based and equitable policy-making. This framework will also facilitate cooperation between various line ministries, on one hand, and the GoA and development partners, the private sector, CSOs, diaspora organisations, academia, etc on the other, so streamlining the design, financing and implementation of coherent public policies;
- **Strengthened public and private financing ecosystem for SDG investments** – refers to a situation following the implementation of the JP where **all sources of development finance, i.e. domestic public, domestic private, international public and international private, are viewed as potential resources for ATS/SDG implementation and financing strategies are developed** accordingly. This will enable the GoA to work with the private sector to capitalize on new types of partnerships and financing mechanism/ tools to fund and implement key interventions across the social, economic and environmental dimensions of sustainable development; and
- **Increased investments in climate change, food security and human capital** – refers to a situation when the **GoA is better capable of mobilizing, targeting and using development finance** in sectors that have a disproportionate impact on women, children and the most vulnerable, including climate change, food security and human capital. This will be achieved when the **GoA's policy design and budgeting processes are informed by evidence** (e.g. SDG and budgetary data). Increased investments in these sectors will in turn contribute to sustainable, inclusive and resilient growth in Armenia, thereby LNOB.

The systemic changes coincide with the three levels of action highlighted in the Decade of Action – global, local and people – and will jointly contribute to the development and implementation of evidence-driven and transformative policies for the benefit of the Armenian people and the planet by 2030. Particularly, increased investments in climate change action, food security and human capital development will offset lost opportunities conditioned by various types of shocks and vulnerabilities, so contributing to higher rates of innovation, productivity and ultimately economic growth.

The ToC is nonetheless exposed to underlying risks. These include but are not limited to the destabilization of the socio-economic and political situation in the country; COVID-19 outbreak continuation, impacting GoA strategy, planning and budgeting processes, including in the priority sectors; internal resistance from the GoA to adjust policies, procedures and budgets towards achievement of SDGs, gender equality and LNOB; and low interest amongst development partners and the private sector in SDG-aligned programming. To mitigate these risks, the JP will work in close collaboration with the GoA to support on-going reforms, particularly the PFM and PAR system reforms, the SDG nationalization processes and ATS and sectoral strategy development. Focus will be on developing in-house capacities through on-the-job support, learning by doing, and by introducing new ways of using data for evidence-based policy making and intervention designs, not least for the whole-of government response to the COVID-19 crisis. Jointly, these areas will serve as the JP's entry/leverage points for effective implementation of proposed activities in line with the outlined ToC's change pathway.

2.3 Expected results by outcome and outputs

Overall, the JP is designed to ensure that GoA and its citizens benefit from an SDG integrated planning, policy and financing framework. This will enable the GoA to use both public and private development resources for the accelerated achievement of its medium- and long-term development objectives, keeping human rights, poverty alleviation, gender and other LNOB considerations in mind for fair distribution of development opportunities and benefits.

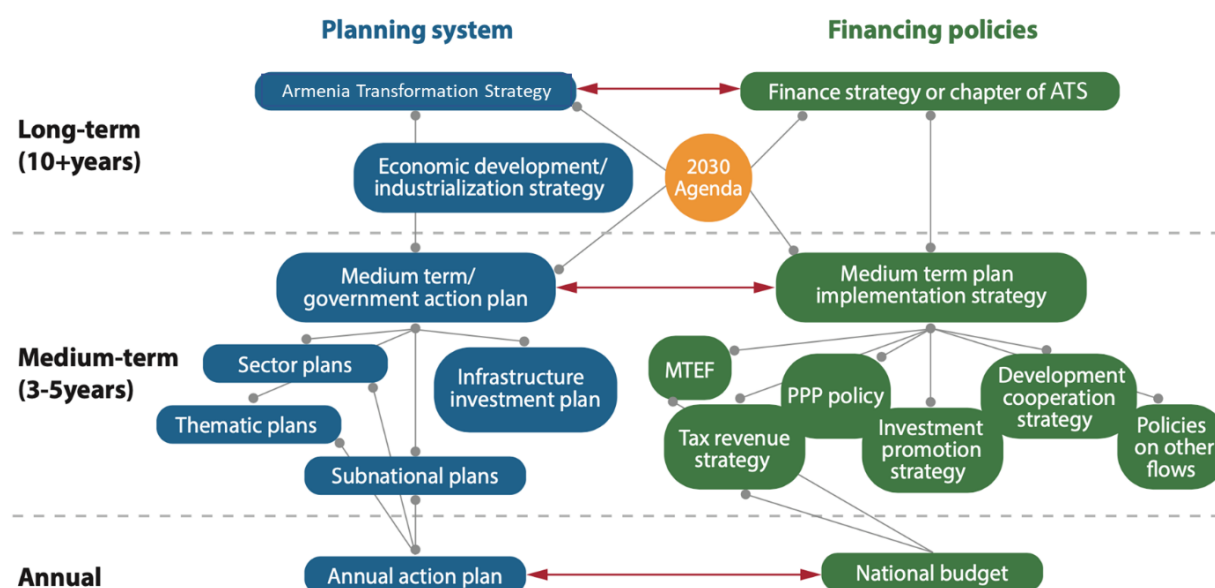
The JP offers the GoA a comprehensive package to support the formulation and delivery of the ATS and sectoral strategies. The support will be provided across a horizontal and a vertical workstream and comprises targeted activities across the policy and budget cycle. As described in Table 1 and Graph 2 and 3, the **horizontal workstream** will contribute to ensuring coherence between the 2030 Agenda, Armenia's national commitments to the SDGs and policy, planning and budgetary processes. This will consist of **improvements in the quality of budget programmes, including via properly defined non-financial indicators, thus contributing to systemic change in how the GoA operationalizes its medium- and long-term strategies.**

Complimentary, **the vertical workstream** will provide in-depth analytical, technical and capacity building support for the **development of financing strategies, frameworks or options that will help the GoA mobilize, prioritize and use finance** in three cross-cutting priority areas for improved service delivery for all.

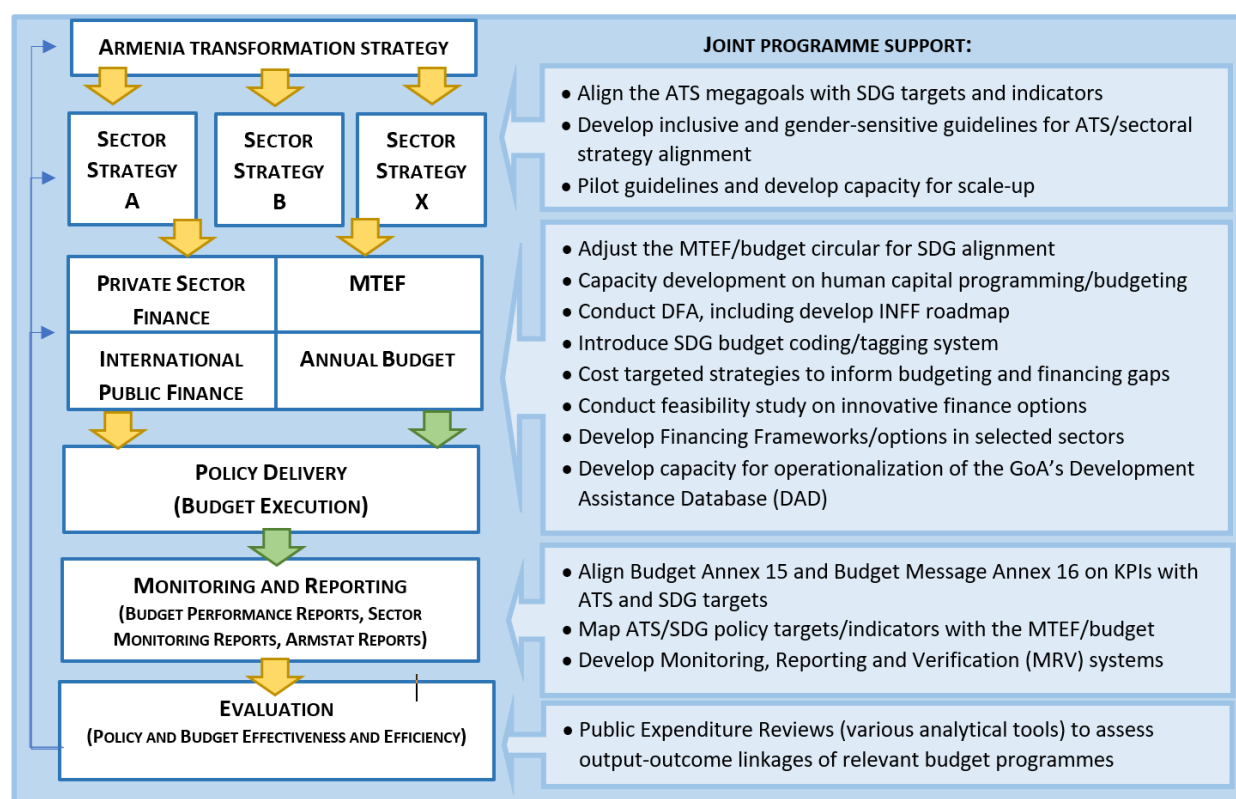
Table 1: Joint Programme Workstreams, Result Framework and link to Joint SDG Fund

Workstreams:	Joint Programme (JP):	Joint SDG Fund (JSDGF):
Horizontal workstream: Overarching technical and systems support that will help the GoA develop and implement an SDG integrated policy, planning and budgeting framework and prepare the GoA for the delivery of a full-fledged INFF for accelerated SDG implementation	Outcome 1: Armenia Transformation Strategy is anchored in an SDG-aligned, integrated, gender-sensitive and equitable financing framework Output 1.1: Armenia Transformation Strategy is adopted as an integrated, gender-sensitive and equitable national SDG framework Output 1.2: Public finance management system is strengthened for better measurement and increased adequacy, effectiveness and equitability of the distribution of public resources for the realisation of gender-responsive, child-sensitive and SDG-aligned policies Output 1.3: Public, private and development financing landscape, including existing flows, gaps and options, is mapped to inform the implementation of the ATS	Outcome 1: Integrated multi-sectoral policies to accelerate SDG achievement implemented with greater scope and scale Output 1: Integrated policy solutions to accelerate SDGs developed
Vertical workstream: Analytical and capacity building support that will contribute to the development of coherent financing frameworks for the allocation of sufficient /adequate public and private resources in key areas	Outcome 2: Public and private investment and financing options for climate change, human capital and food security are identified, enabling accelerated, evidence-based and accountable progress towards selected SDGs Output 2.1: Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectoral targets Output 2.2: Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient and adequate public and private resources	Outcome 2: Additional financing leveraged to accelerate SDG achievement Output 2: Financing strategies for SDGs developed and SDG financing partnerships established Output 4: Integrated financing strategies for accelerating SDG progress implemented

Graph 2: ATS/SDG Planning and Financing Architecture & Ecosystem



Graph 3: Overview of Joint Programme Support



The **horizontal workstream** will be led by **UNDP, DPM's office, MoF and the to be established National SDG Council** and implemented jointly with UNICEF and WFP in partnership with line Ministries, other UN agencies, IFIs and the civil society at large. It consists of activities that promote the introduction of an inclusive and measurable ATS/SDGs-aligned policy and performance framework (JP output 1.1), strengthen the links to the newly

adopted PFM strategy (JP output 1.2), and identify financing needs and gaps, risks, and policy, institutional and capacity building constraints for ATS implementation (JP outcome 1 and JSDGF outcome 1). Building on the GoA's stated intention to ensure maximal alignment between the ATS and nationalised SDGs, the JP will work with the DPM's Office, MoF and the National SDG Council to map and align the ATS and nationalised SDG target and indicators. Moreover, clearer linkages between the ATS and the 20+ sectoral strategies will be achieved through the development of inclusive and gender-sensitive guidelines for ATS/sectoral strategy harmonization (JP output 1.1 and JSDGF output 1). To ensure sustainability of JP output 1.1, the **guidelines will be piloted** through in-depth mapping of climate change, food security and human capital related strategies and institutional capacity of MoF and line Ministries will be developed to facilitate the adaptation of the guidelines across all the new sectoral strategies. The work/analyses conducted as part of output 1.1 will also lay the foundation for JP outputs 1.2 and 2.1, thus contributing to JSDGF output 2 and 4.

To ensure that the **PFM system is strengthened for better measurement and increased adequacy, effectiveness and equitability of the distribution of public resources** (JP output 1.2), the JP team will map the ATS/SDGs with the programme classification at the subprogrammes level to provide the GoA with a powerful mechanism for decision-making and accountability. This will enable MoF and other line ministries to easily associate ATS policy and planning decisions with budget appropriation lines. As a second step, the JP will support the MoF in adjusting the MTEF/budget methodological instructions for SDG alignment, sex and age-disaggregated and gender sensitive data, including addressing the ATS/SDG reference and justification requirements and MTEF/budget templates. **SDG coding/tagging** principles for SDG aligned programmes and projects within the MTEF/budget programme classification structure will also be developed jointly with the MoF to allow the GoA to **track budgets by the structure and content of the ATS and sectoral strategies, including appropriate sex and age disaggregation.**)

Core to achieving outcome 1 is the ability for the GoA to **create a baseline understanding of current financing flows and gaps** and identify **strengths and weaknesses of existing financing strategies, policies, and institutional structures** to meet key financing challenges. To this end, the JP will work with the DPM's office, the MoF, line ministries and the World Bank to assess the feasibility of innovative (diaspora) financing mechanisms, as well as conduct a **Development Finance Assessment** (DFA) of the ATS (JP output 1.3 and JSDGF output 4). Building on the fact that Armenia, with the UN's support, was amongst the forerunners in setting up a national system of SDG progress monitoring, the JP will work with ArmStat to strengthen the link between national data and the current budget performance monitoring and reporting system which tracks the progress of budget programmes (JP output 1.2 and JSDGF output). This will not only help the GoA make more **evidence-based policy decisions** but also **improve the country's SDG reporting**. Shortcomings related to donor assistance coordination, transparency and result-reporting, which currently limits the effectiveness of foreign aid flows to Armenia, will be addressed through the provision of **technical assistance and capacity development support** to the staff of the DPM's Office during the **set-up and operationalization** of the to be EU-funded **Development Assistance Database** (DAD). The JP will also assist the MoF in bridging the DAD with the budgeting processes, thereby ensuring that the budget formulation process is cognizant of corresponding donor projects and financing (JP output 1.2). The comprehensive assessments and data disaggregation activities carried out as part of JP outputs 1.1, 1.2 and 1.3 will ultimately inform the design of an INFF roadmap for DFA follow-up.

The **vertical workstream** will jointly be led by UNDP, UNICEF and WFP and be implemented in close collaboration with relevant line ministries, CSOs, including women's rights organizations, IFIs and the private sector. Delivered in parallel with the horizontal workstream, its main objective is to help the GoA identify and **develop ATS/SDG-aligned**

development financing options related to climate change, food security and human capital to enable accelerated, evidence-based and accountable progress towards selected SDGs that impact the lives of those most vulnerable and in need (JP outcome 2). This will include in-depth financing and policy analysis in the three pre-selected areas, providing a detailed overview of the financing landscape covering all public, private, domestic and international resources in these areas (JP output 2.1). Based on output 1.3, the respective PUNOs will **develop cost estimates for the implementation of sector-relevant strategies and policies, assess financing needs and gaps, and develop Development Finance Frameworks** (DFFs) to enable adequate allocation of public and private resources in each area (JP output 2.2 and JSDGF output 4) and channel effective and efficient spending to sectors that disproportionately benefit women, the poor and vulnerable groups. A variety of tools will be used, including costing exercises, public expenditure reviews, building of investments cases and cost-benefit analyses. In the existence of area-specific tools, these will be adapted to the Armenian context.

The qualitative and quantitative assessments resulting in JP outputs 2.1. and 2.2 will support the **recommendations to be provided for the design of the INFF roadmap** (JP output 1.3). They will also help the GoA make more informed planning and budgeting decisions in the target sectors, thereby enabling the prioritisation of key projects and programmes, improving the transparency of public spending and providing stronger justification and data to leverage additional finance within the given fiscal space in Armenia at the Parliament to boost better oversight over spending and sectorial outcomes. Civil society organizations, including women's rights NGOs, will participate in project activities both through the National SDG Council and a wide array of horizontal interventions.

Following the JP implementation, the GoA will benefit from an integrated, inclusive and coherent policy and finance framework, closely linked to the ATS and the nationalised SDGs. GoA staff expertise will have increased and the GoA will have **developed capacity to identify, develop and implement DFAs and DFFs/financing options** related to climate change, food security and human capital, as well as implement the proposed INFF roadmap.

Particularly, the **horizontal workstream** will contribute to accelerated SDG implementation through the design and promotion of pro-poor and gender-sensitive policies and government frameworks (**SDG1b and SDG5c**), the development of effective, accountable and transparent institutions at all levels (**SDG16.6**), enhanced policy coherence for sustainable development (**SDG17.14 and 17.15**); and the development of a sound institutional architecture to ensure mobilization of resources from a variety of sources (**SDG 1a, 17.3 and 17.16**). Accelerated achievement of these targets will in turn service as an **"SDG multiplier"** by enabling progress across all other SDGs.

The **vertical workstream** will primary contribute to **improved service delivery in targeted sectors** during the second half of the JP and the years to follow thereafter, thus providing opportunities for accelerated implementation of **SDG targets 2.1, 3.2, 4.1 and 13.2**. Through better and more targeted investments in climate change resilience, education, health and social protection in pursuit of the SDGs, **by 2022** every boy and girl in Armenia will have a better chance to survive, to arrive at school well-nourished and ready to learn, to grow up, live and work as a healthier, better skilled and more productive adult. Moreover, all Armenians, including women and men, boys and girls, poor, people with disabilities, immigrants, etc, will enjoy increased opportunities to realise their innate potential and be more resilient to shocks and stresses. Men and women will be benefitting equally from family-friendly policies, social protection and be better capable of balancing work and care responsibilities, especially during times of crisis. Poor and deprived families, including their children will also be provided with better opportunities and the capacity to better prepare for and respond to current and future impacts of climate change, environmental degradation and pollution.

2.4 Budget and value for money

The PUNOs, the GoA and its partners will maximise the value for money of the JP by ensuring the **effectiveness, efficiency and economy of their interventions throughout the results chain**. Great attention will be placed on ensuring that the JP activities are carried out following principles of equity and cost effectiveness. This will be achieved by **capitalising on UN's long experience in deploying expertise, tools and resources, and by building strong links with related projects** (led by the GoA, the UN, IFIs/DFIs, the private sector, CSOs, etc.), including in the area of public finance management and innovative financing. As part of the Learning and sharing plan, the JP will also ensure to **actively share lessons learnt, successes and tools developed within the JP**, including with other JP implementers as well as through South-South cooperation.

The JP will seek to forge multi-stakeholder partnerships as opposed to siloed interventions that can mobilize and share knowledge, expertise, technology and financial resources to support the achievement of the SDGs, thereby ensuring the sustainability of the JP outputs. Closely linked to the effectiveness of the PUNOs interventions lay the principles of sustainability and capacity strengthening of the national capacities. This will be secured through close collaboration with relevant government counterparts, including through the **development of capacity within line Ministries to replicate and/or scale guidelines, methodologies, financing frameworks and viable financing options** following the completion of the 2 years project. More specifically, the JP will ensure that **proposed approaches and changes are incorporated into existing mechanisms, including programmes, plans, the Government Financial Management Information System (GFMIS), the MTEF and the DAD for long-term sustainability at minimum cost**. Focus will be **building in-house capacities through on-the-job support** to line Ministry staff and **learning by doing**, e.g. by introducing methodology guidelines, SDG coding/tagging mechanisms, and new ways of using data for evidence-based policy making. The sustainability and efficiency of the JP will also be supported through existing expertise that will be complemented with **innovative and tailored approaches** brought by the UN that will maximise the value for money of investments and accelerate the delivery of multiple results.

The approach of the JP differs from conventional projects in the way it addresses strategy development, policy design and implementation and budgeting in an integrated and cross-sectoral manner, thus promoting a whole-of-government and integrated UN approach to SDG acceleration. The horizontal workstream sets out to improve the overall governance system, including institutional and financing architecture, by bringing in the nationalized SDGs as a comprehensive, structured and measurable dimension of public policy design and implementation. The vertical workstream, on the other hand, deep-dives into priority LNOB sectors in Armenia to help the GoA mobilize, target and use various sources of development finance - domestic public, domestic private, international public and international private - for the realization of the ATS and national SDGs. This workstream will also enable the GoA to **work with the private sector to capitalize on new types of partnerships and financing mechanism in underfinanced sectors**.

The **Velvet Revolution has created a unique momentum for transformation** in Armenia. With renewed commitment to human capital development, poverty reduction, food security climate change and integrated effort by all, UN Armenia has the opportunity to help the GoA address issues that undermine the prospects of Economic Reform through a strong social and environmental orientation, thereby LNOB. The JP will also ensure that the LNOB principle is considered at all times. More precisely, both throughout the design and implementation of JP activities, the JP will aim to support inclusive and equitable development, not least by **analysing sex- and age-disaggregated and gender sensitive SDG and finance data**. As detailed in the Gender Marker Matrix, **25% of the total JP budget will contribute to gender equality**. The budget will be used to promote and develop gender

sensitive and coherent strategies, policies budgets as well as financing frameworks/options in sectors that disproportionately benefit women, poor and other vulnerable groups (targets 1.b (11%) and 5.c (10%), 4.2 (1%), 17.14 (1%)); promote multi-stakeholder partnerships that will help mobilize and share knowledge, expertise, technology and financial resources to support the achievement of the SDGs, including SDG5 (target 17.16 (1%)); and develop coding/tagging for SDG/SDG5 aligned programmes and projects within the MTEF and budget programme classification structure, which will help the GoA develop effective, accountable and transparent institutions at all levels (target: 16.6 (1%)).

The JP team will also **work closely with the MoF and the EU** to align relevant JP activities with the gender-responsive budgeting component of the ongoing Public Finance Policy Reform Programme in Armenia, thus promoting gender-responsive budget across all sectors. Similarly, the JP will align with the **World Bank** in its work on the development of policy options for human capital development, linking it to budgeting processes, and adding gender, age and socio-economic considerations, where possible.

Co-financing will be leveraged from the World Bank for the proposed diaspora finance feasibility study (Activity 1.3.1). In line with the GoA's desire to explore the potential viability of Diaspora bonds, the World Bank has already conducted two advisory missions and preliminary analysis of such a mechanism and the JP team will thus work in close partnership with local and global World Bank experts to effectively conduct this activity. Through Activity 1.3.4: Donor Assistance Database, an indicative amount of **USD 200,000 will be leveraged from the EU (through UNDP) as co-financing of the database.**

The JP will also seek to align its climate change related policy and financing activities with the proposed Greenovation Financing Facility (GFF) (SDG Financing (2/2019) – Component 2: Catalyze strategic investments). The GFF will be anchored in a \$20-25 million facility with the sole objective of effectively catalyzing public and private investment in Armenian and related green ventures. It will be part fund (deploying direct and indirect capital via intermediaries in highly catalytic instances), and part a 'responsive tool' to coordinate and leverage finance to small and medium-sized projects. Given that the GFF would be implemented by two of the JP's PUNOs (UNDP and UNICEF), IFIs and intermediaries such as local banks, there is great potential to leverage co-financing and/or technical support related to the proposed activities 2.1.1: Climate Change financing landscape review; and 2.2.1: Climate Change Financial Framework to help the government mobilize, manage and target climate finance.

The JP builds on existing UN-initiatives that will maximise the outcomes of the proposed interventions. These include the **Armenia SDG Innovation Lab, the Tech4SDGs Platform** (ImpactAIM, Teh4SDGfund, Social Impact bond, etc,) and that of IFIs (WB, IMF, ADB) on **social protection, climate change and the strengthening of the SDG financing ecosystem.** UNDP has also initiated an **SDG investment map for Armenia**, which include detailed descriptions of investment opportunities that are attractive for SDG aligned investors.

Additional initiatives include those of the broader UN Armenia with the Ministry of Labour and Social Affairs (MoLSA), among other Government agencies on functional effectiveness assessment; a family benefit system diagnostic through CODI; a reform to a rights-based disability assessment model; and an assessment of the National Employment Strategy. Improved integration of interventions and results will also be achieved through the JP. More precisely, **stemming from GoA's priorities, MAPS Mission recommendation activities will break the barriers of historically siloed interventions and implement integrated, multidimensional system approaches to tackle poverty and deprivation.**

2.5 Partnerships and stakeholder engagement

The overall coordination, direction, and supervision of JP implementation will be led by the DPM, with his office performing secretariat functions. This high-level political engagement demonstrates the GoA's serious commitment to the activities outlined in the JP and their congruity with the reforms agenda, which is the result of collaborative engagement and continuous consultations throughout the JP conceptualization. Leadership at the DPM level will facilitate effective cross-sectoral coordination of JP implementation across multiple line ministries and enable linkages with supporting reforms processes for strategic intervention and institutional impact. It will ensure genuine national ownership of the 2030 Agenda through alignment of the national SDGs with the ATS, while developing and refining the necessary budgetary framework and processes for their operationalization. It will also allow for natural synergies and strategic integration with related projects by other partners, which are likewise coordinated by the DPM. Finally, DPM leadership will safeguard effective implementation at the line ministry level through standard governmental supervision and accountability mechanisms enforced by high-level political authority.

UNDP's unique contribution reignites in its role as the as the SDG integrator and connector of various stakeholders for SDG acceleration; its close and long-standing relationship with the GoA - at both executive and line ministry level; in-depth sectoral knowledge in key JP areas such as climate change, environmental protection and gender quality; and access to a variety of tools, expertise, and resources to support the design of sustainable and inclusive policies and programmes, access and generate finance, source and analyse data, and drive innovation and learning. Beyond UNDP in Armenia's leadership related to policy and partnership development, the country office brings experience in designing and implementing innovative SDG finance initiatives aimed at unlocking private and public capital. Examples of such initiatives include the National Armenia SDG Innovation Lab focused on public policy innovation; the SDG ImpactAIM platform which supports the development of the impact investment ecosystem in the country; the "Tech4SDGs impact investment fund; a Social Impact Bond in the dairy sector; and the development of an SDG investment map.

UNICEF's unique contribution is the leadership and breadth of work on child rights realization in Armenia. UNICEF has been a convener of Government and development partners, including IFIs, on social protection, including at systems level, a key lead in various reform areas (integrated social services, child care, early childhood education, child and maternal health, disability assessment etc.), as well as supporter of the development of sound evidence on children for policy and budget-making, including during crisis. UNICEF has led the first study on child-focused public expenditure measurement in Armenia and the wider Europe and Central Asia region, a number of costing, cost-benefit and piloting exercises, giving a comparative advantage over public finance for children at national and sub-national levels. UNICEF's strategic partnership with the World Bank on social protection, health and education is an additional advantage. UNICEF has all capacities for JP implementation, including experience in implementation of joint UN programmes, UNDAF and donor coordination groups on social services, as well as the co-lead jointly with the Government and World Bank of the Gender Thematic Group.

WFP's unique contribution is the role played in the country and globally to support the eradication of food insecurity and malnutrition. In the context of Armenia, the work of the JP on food security closely linked to the development of nutrition-sensitive food value chains and transformative school feeding programmes represent a vehicle to also invest in the human capital development of the nation, improve the health of the population and support the green modernisation of agribusinesses. Through its models that accelerate on the delivery of the SDGs and aforementioned cross-cutting themes, WFP's participation to the JP will also be key to support achieving expected outcomes on climate change and human capital development, while creating new opportunities for public-private partnerships and further integration among

Government line ministries to support the development of the country and the well-being of the Armenian population.

The broader UNCT will be engaged most directly through its Inter-Agency Task Force on SDG Nationalization, created in September of 2019 to support GoA in relaunching its SDG nationalization process. The Task Force will be working actively with the National SDG Council on the technical level, by providing an LNOB lens, supporting multi-stakeholder participation, and leveraging agency-specific competencies, expertise, and perspectives.

The European Commission and EU Delegation in Armenia supports the GoA reforms agenda with an extensive portfolio of strategic contributions as part of the EU-Armenia Comprehensive and Enhanced Partnership Agreement (CEPA) framework. Through the SIGMA joint initiative, the EU has been an institutional partner in Armenia's comprehensive PAR strategy development. Following consultations with government advisors leading PAR efforts, the JP is in full alignment with all PAR strategy priorities and will effectively be contributing to PAR strategy implementation as a result. Synergise with EU's PFM support package and gender-responsive budgeting initiative will also be explored.

In partnership with the UN RCO and UNDP, EU is also supporting the GoA in developing the DAD platform. Through Output 1.3 (Activity 1.3.4), the JP aims to ensure sustainable operationalization of the database through capacity development and technical assistance by supporting its incorporation into policymaking process. This strategic intervention with one of the global Joint SDG Fund donors will result in more effective allocation of development resources through enhanced coordination, thus also contributing to JP implementation.

The **World Bank** in Armenia provides a direct strategic contribution to the JP through the first two objectives of its recently launched 'Armenia Development Policy Operation'⁴, which focuses on improving the investment climate through streamlined, pro-competition and pro-business regulations and processes (pillar 1 - Economic Governance) and improving fiscal quality through increased tax compliance and spending efficiency (pillar 2 - Fiscal Governance). Informed by consultations with World Bank colleagues, the JP addresses programmatic gaps in this project while ensuring no overlapping of interventions.

For the past year, the World Bank has also been actively exploring the potential viability of Diaspora bonds with two advisory missions and preliminary analysis. As such, the JP will be implementing the diaspora finance feasibility study in close partnership with local and global World Bank colleagues and experts. Moreover, Armenia has been an early adopter country of the WB's Human Capital Project, thus the JP will build on the planned development of policy options for human capital development by the World Bank, underpinning it with sound and integrated financing frameworks.

Sweden, another global Joint SDG Fund donor present in Armenia, will be engaged in the implementation of the JP through the 'Modern Parliament for a Modern Armenia' project. Building on planned activities, the National Assembly of the Republic of Armenia and relevant Parliamentary Committees will support with policy design and budget scrutiny for SDG alignment, as well as in the organization of public hearings for greater transparency and citizen engagement in budget- and policymaking.

The JP envisages engagement with the **financial sector and private investors** through nearly all sector-specific interventions, as outlined in outcome 2. To begin, consultations with key representatives on current capacities, strategic priorities, and investor confidence will inform the feasibility study on diaspora finance as well as the DFA. Inputs from their consultations will also be used for mapping sector-specific financial landscapes and identifying binding constraints to financing of sectoral gaps. Finally, all policy recommendations directed

⁴ <https://projects.worldbank.org/en/projects-operations/project-detail/P169624>

at the financial sector and/or private investors will be developed with their active involvement in order to ensure policy relevance and alignment with stakeholder priorities.

At the country level, UNDS expertise will be pooled through existing institutional arrangements as well as through direct engagement with specific agencies and advisors. The **SDG Nationalization Task Force** will play a key role in pooling and mobilizing relevant expertise based on agency mandates and scope in the nationalization process, while the Gender Thematic Group – co-led by UNICEF – will ensure that the JP substantively strengthens gender equality and women’s rights CSO participation and engagement in gender related SDGs localization and/or implementation both within the SDG National Council and within specific JP activities. The UN Women advisor in the RCO as well as UNDP and UNICEF’s gender specialists will also be consulted on an ad hoc basis to ensure quality assurance of JP activities and outputs. The **participatory and bottoms-up approach to JP conceptualization facilitated by the RCO has also yielded valuable and lasting synergies between PUNOs and non-participating agencies that will be leveraged during implementation.** Collaborative discussions on food security and safety issues during JP conceptualization has resulted in a commitment by FAO to support WFP with expertise and technical advice. Similarly, UNIDO has expressed a continued interest in supporting all PUNOs in their private sector engagement efforts by providing local and regional expertise on SME development and finance. Globally, a unique partnership has been established with UNCTAD for supporting the JP with expertise that leverages policy recommendations from its recent Investment Policy Review for Armenia⁵. South-South cooperation will be leveraged and pursued with countries well advanced in SDG coding/tagging, such as Argentina or Mexico.

⁵ <https://unctad.org/en/pages/PublicationWebflyer.aspx?publicationid=2562>

3. Programme implementation

3.1 Governance and implementation arrangements

In line with the Joint Fund ToR, the Resident Coordinator shall be in charge of oversight of the JP and responsible to ensure allocation of the resources received from the Joint SDG Fund with national development priorities. Each PUNO will assume full programmatic and financial accountability of resources received under the programme and as outlined in the existing legal agreements.

UNDP will be responsible for the horizontal workstream, for the climate change-related activities of the vertical workstream and joint activities, including programme management, communication and the design of the final evaluation of the Joint Programme. Capitalizing on its SDG integrator role, UNDP will ensure that all activities are implemented in line with the SDGs and national development priorities. Its country experience in designing innovative and impactful financing tools, with an in-house Impact Investment team and a pool of local/international experts, will moreover help the GoA, IFIs and the private sector develop scalable solutions adopted to the Armenian context. In its roles the Convening/Lead Agent of the JP, UNDP will be accountable for the efficient use of resources provided through the fund and for effective delivery on expected results.

UNICEF will primarily be responsible for the human capital vertical workstream, leveraging on its expertise on social protection, health and education, as well as leadership of the UNDAF group on social services and the co-lead of the eGTG. UNICEF will make sure to integrate age, gender and equity considerations in the horizontal workstream, capitalizing on its previous work on child-focused public expenditure measurement, including strong South-South collaboration. Human capital programming will be strongly aligned with the World Bank's efforts in this regard. UNICEF will adhere to its contracting rules and procedures, including effective quality assurance measures, when needed (HACT approach to implementing partners etc.).

WFP will primarily be responsible for the food security vertical workstream, leveraging on its expertise in nutrition-sensitive food value chains and transformative school feeding programmes. The WFP will moreover create new opportunities for public-private partnerships in the agricultural sector.

Regular monitoring, reporting, as well as communication and risk management activities will be performed by all PUNOs under the leadership of UNDP. Capacity development and joint advocacy will be pursued with the Government and Parliament for uniform and comprehensive support, capitalizing on each other's strengths and resulting in even distribution of effort, efficient use of resources and effective and smooth JP implementation. Capacity development and joint advocacy will be pursued with the GoA and Parliament for uniform and comprehensive support, capitalizing on each other's strengths and resulting in even distribution of effort, efficient use of resources and effective and smooth JP implementation.

A technical coordination group for JP implementation will be established comprising UN RC's office and PUNO representatives, which will be responsible for day-to-day JP implementation, monitoring and data collection, as well as supervision of quality of work by the various experts and consultants. The technical coordination team will make sure that the activities are coherent, complement each other and are designed in a way as to build on the added value of each PUNO. The horizontal workstream envisages full PUNO involvement and mutually reinforcing design and implementation of activities, as this will lay the foundation and uniform approaches for the more sectorial work. The technical team will be also responsible for drafting of initial progress reports, design of communication and advocacy materials and plans, as well as regular risk analysis, with a particular focus on programmatic and fiduciary risk mitigation. This will ensure continuous and coordinate feedback to the JSFC on implementation, early identification of issues and design of timely responses and adjustments.

Guided by the principle of national ownership, these roles and responsibilities shall be coordinated through a Joint SDG Fund Steering Committee (JFSC) co-chaired by the RC and the DPM so as to ensure programmatic alignment with national priorities and effective communication towards the respective stakeholders (RC vis-à-vis UNCT and DPM vis-à-vis government entities). By means of a contractual arrangement, the JFSC shall have a targeted mandate to ensure effective oversight and continuous alignment with national priorities and pursuing the strategic vision for the country's transformation with an integrated public and private planning and financing framework.

The JFSC shall be comprised of all PUNOs as well as relevant high-level government counterparts, including Ministry of Finance, Ministry of Labour and Social Affairs, Ministry of Environment, Ministry of Health, Ministry of Territorial Administration & Infrastructure and Ministry of Education, Science, Culture and Sport. The members of the JFSC shall be collectively responsible for ensuring integrated decision-making in both programmatic and administrative matters as well as establishing a regular mechanism to monitor and report activities.

The GoA, particularly the DPM's office, demonstrates ownership and leadership of the JP through several modalities:

- **First**, the DPM's co-chairmanship of the JFSC constitutes high-level political commitment and will, not least to also ensure harmonization between the activities under the JP and current government reform that encompasses both the implementation of a comprehensive Armenia Transformation Strategy as well as sectoral reforms, including COVID-19 response and post-crisis recovery;
- **Second**, benefiting from inclusive and comprehensive consultations with national counterparts to ensure that activities in the JP either directly or indirectly address or support currently ongoing reforms processes.
- **Third**, in parallel as per newly issued PM's decree⁶ and as an institutional complement to the implementation of the JP, the government prepares to relaunch its National SDG Council that shall be chaired by the same DPM who represents in the JFSC, thus many relevant JP activities are considered part of the SDG Nationalization process.

Furthermore, the implementation of the JP will benefit from an active **UNCT Inter-agency Task Force on SDG Nationalization** that has all resident agencies represented and that is mandated by the UNCT to lead the coordinated UN support towards the government's SDG nationalization process. The taskforce will help translate the activities in the JP through technical level engagement with the National SDG Council into operational results. Existing UN structures, including **UNDAF and UNSDCF groups** as well as the **SDG National Council** will also be utilized to align JP activities with the GoA's ongoing reform agenda to minimize the risk of introducing parallel structures to those that already exist.

In result, the proposed configuration leverages already existing structures both within GoA and within the UNCT and enhances their existing functions and mandated work. The *Joint* Steering Committee structure is also deemed the most appropriate as it allows for effective government engagement, while keeping the implementation of the JP distinct from the internal UNSDCF results groups.

The results of the JP will be absorbed and then sustained by GoA and other stakeholders through extensive capacity development building activities, including on the job support and the introduction of methodologies, guidelines and tools that can be utilized beyond the JP duration.

⁶ <https://www.e-draft.am/projects/2334>

3.2 Monitoring, reporting, and evaluation

Reporting on the Joint SDG Fund will be results-oriented, and evidence based. Each PUNO will provide the Convening/Lead Agent with the following narrative reports prepared in accordance with instructions and templates developed by the Joint SDG Fund Secretariat:

- *Annual narrative progress reports*, to be provided no later than one (1) month (31 January) after the end of the calendar year, and must include the result matrix, updated risk log, and anticipated expenditures and results for the next 12-month funding period;
- *Mid-term progress review report* to be submitted halfway through the implementation of Joint Programme⁷; and
- *Final consolidated narrative report*, after the completion of the joint programme, to be provided no later than two (2) months after the operational closure of the activities of the joint programme.

The Convening/Lead Agent will compile the narrative reports of PUNOs and submit a consolidated report to the Joint SDG Fund Secretariat, through the Resident Coordinator.

The Resident Coordinator will be required to monitor the implementation of the joint programme, with the involvement of Joint SDG Fund Secretariat to which it must submit data and information when requested. As a minimum, joint programmes will prepare, and submit to the Joint SDG Fund Secretariat, 6-month monitoring updates. Additional insights (such as policy papers, value for money analysis, case studies, infographics, blogs) might need to be provided, per request of the Joint SDG Fund Secretariat. Joint programme will allocate resources for monitoring and evaluation in the budget, including USD 30,000 for a joint evaluation of the Joint Programme towards the end of the two-year project.

The Result framework and Joint Programme work plan will serve as a Monitoring and Evaluation (M&E) framework for the JP. These will ensure continuous feedback on implementation, early identification of potential problems to facilitate timely adjustments to project operation, and implementation in accordance with the overall intervention logic of the JP. These will set the baseline, targets and indicators and verification mechanisms for project monitoring and evaluation activities, as well as outline responsibilities of project partners in monitoring, reporting and oversight. The Project's M&E framework will serve as a planning and management tool for data collection, analysis and reporting on project progress and performance not only by the RC Office and PUNOs, but also by the GoA.

The existing UN structures, including UNDAF and CF groups will be utilized for monitoring of progress, as well as regular debriefing with other UN agencies. The project team will have a technical coordination group for the JP implementation comprising UNRCO and PUNO representatives, which will be responsible for day-to-day JP implementation. Overall coordination and oversight will be carried out by the joint Steering Committee between the UN agencies and the DPM's Office. Finally, the SDG National Council, with its monitoring role over SDG implementation and budgeting, will serve as a platform for participatory monitoring and implementation of activities together with involvement of key CSOs, including women's right organizations and others.

Data for all indicators of the results framework will be shared with the Fund Secretariat on a regular basis, in order to allow the Fund Secretariat to aggregate results at the global level and integrate findings into reporting on progress of the Joint SDG Fund. Here, the JP will use the SDG platform of the ArmStat for monitoring and reporting on progress towards SDGs, as well as the Government Financial Management Information Systems, should SDG coding become part of the Government MTEF and budget process.

⁷ This will be the basis for release of funding for the second year of implementation.

PUNOs will be required to include information on complementary funding received from other sources (both UN cost sharing, and external sources of funding) for the activities supported by the Fund, including in kind contributions and/or South-South Cooperation initiatives, in the reporting done throughout the year.

All lessons learnt, successes and tools developed within the JP will be documented for cross-sharing and joint learning between other JP implementers, as well as regionally and globally. South-South cooperation will be envisaged for sharing and mutual learning.

PUNOs at Headquarters level shall provide the Administrative Agent with the following statements and reports prepared in accordance with its accounting and reporting procedures, consolidate the financial reports, as follows:

- Annual financial reports as of 31st December each year with respect to the funds disbursed to it from the Joint SDG Fund Account, to be provided no later than four months after the end of the applicable reporting period; and
- A final financial report, after the completion of the activities financed by the Joint SDG Fund and including the final year of the activities, to be provided no later than 30 April of the year following the operational closing of the project activities.

In addition, regular updates on financial delivery might need to be provided, per request of the Fund Secretariat.

After completion of a joint programme, a final, *independent and gender-responsive*⁸ evaluation will be organized by the Resident Coordinator. The cost needs to be budgeted, and in case there are no remaining funds at the end of the joint programme, it will be the responsibility of PUNOs to pay for the final, independent evaluation from their own resources.

The Joint Programme will be subjected to a joint final independent evaluation. It will be managed jointly by PUNOs as per established process for independent evaluations, including the use of a joint evaluation steering group and dedicated evaluation managers not involved in the implementation of the joint programme. The evaluations will follow the United Nations Evaluation Group's (UNEG) Norms and Standards for Evaluation in the UN System, using the guidance on Joint Evaluation and relevant UNDG guidance on evaluations. The management and implementation of the joint evaluation will have due regard to the evaluation policies of PUNOs to ensure the requirements of those policies are met and the evaluation is conducted with use of appropriate guidance from PUNOs on joint evaluation. The evaluation process will be participative and will involve all relevant programme's stakeholders and partners. Evaluation results will be disseminated amongst government, development partners, civil society, and other stakeholders. A joint management response will be produced upon completion of the evaluation process and made publicly available on the evaluation platforms or similar of PUNOs.

3.3 Accountability, financial management, and public disclosure

The Joint Programme will be using a pass-through fund management modality where UNDP Multi-Partner Trust Fund Office will act as the Administrative Agent (AA) under which the funds will be channelled for the Joint Programme through the AA. Each Participating UN Organization receiving funds through the pass-through has signed a standard Memorandum of Understanding with the AA.

Each Participating UN Organization (PUNO) shall assume full programmatic and financial accountability for the funds disbursed to it by the Administrative Agent of the Joint SDG Fund

⁸ www.unwomen.org/en/digital-library/publications/2015/4/un-women-evaluation-handbook-how-to-manage-gender-responsive-evaluation, UN Women, 2015

(Multi-Partner Trust Fund Office). Such funds will be administered by each UN Agency, Fund, and Programme in accordance with its own regulations, rules, directives and procedures. Each PUNO shall establish a separate ledger account for the receipt and administration of the funds disbursed to it by the Administrative Agent.

Indirect costs of the Participating Organizations recovered through programme support costs will be 7% (except for WFP, for which 6.5% will be calculated). All other costs incurred by each PUNO in carrying out the activities for which it is responsible under the Fund will be recovered as direct costs.

Funding by the Joint SDG Fund will be provided on annual basis, upon successful performance of the joint programme.

Procedures on financial transfers, extensions, financial and operational closure, and related administrative issues are stipulated in the Operational Guidance of the Joint SDG Fund.

PUNOs and partners must comply with Joint SDG Fund brand guidelines, which includes information on donor visibility requirements.

Each PUNO will take appropriate measures to publicize the Joint SDG Fund and give due credit to the other PUNOs. All related publicity material, official notices, reports and publications, provided to the press or Fund beneficiaries, will acknowledge the role of the host Government, donors, PUNOs, the Administrative Agent, and any other relevant entities. In particular, the Administrative Agent will include and ensure due recognition of the role of each Participating Organization and partners in all external communications related to the Joint SDG Fund. The proposed cost for communication and awareness raising activities related to the Joint SDG Fund is USD 40,000, including USD 25,000 for JP specific activities, including branding visibility materials, photo production, infographics, online publications, etc.

3.4 Legal context

Agency name: UNDP

Agreement title: *Standard Basic Assistance Agreement*

Agreement date: 8 March 1995

Agency name: WFP

Agreement title: *Basic Cooperation Agreement*

Agreement date: 9 June 2000

Agency name: UNICEF

Agreement title: *Basic Cooperation Agreement*

Agreement date: 4 August 1998

D. ANNEXES OF THE JOINT PROGRAMME TEMPLATE

Annex 1. List of related initiatives

Name of initiative/ project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
GoA's reform strategy (Government Programme 2019-2022, ATS 2050, Sectoral Strategies (including PFM strategy), PAR and the programme-based budgeting reform)	These initiatives will jointly provide clarity around GoA's medium- and long-term priorities, which will result in accelerated implementation of national development objectives/the SDGs.	Focus on linking national strategies, plans, programmes and budgets with development priorities, thus anchoring the 2030 Agenda in a national SDG framework.	GoA, DPM's Office	Line Ministries, donor organizations	n/a	Mher Gregoryan, (DPM), Tigran Avinyan (DPM/ Commander)
GoA's Socio-Economic Aid package to counter the adverse COVID-19 impact	The program is specifically aimed at addressing the liquidity-related risks for individual business entities, promoting sustainable economic development, identifying and assisting those persons who have lost their jobs due to the virus, ensuring the safety and social protection of vulnerable groups and supporting their families, modernizing Armenia's healthcare system, providing efficient management of stocks of food, medical supplies, raw materials and other products.	Focus on building the resilience of families and communities to the adverse socio-economic impact of COVID-19 through human capital (education, health, social protection) and food security programming and budgeting.	GoA, DPM's Office (Commander's Office)	Line Ministries, UN coordination groups, donor organizations, NGOs, private sector	Over 300 mln USD, GoA; Donors – <i>amount tbd</i>	Tigran Avinyan (DPM/ Commander)
Agriculture Insurance scheme, Agricultural Risk	The insurance scheme will be piloted in 6 regions in Armenia for selected crops (apricot and grape) and	Focus on developing new financing mechanisms that will channel investments	Ministry of Economy, Central Bank	Insurance companies, reinsurer SwissRe	KfW, GoA Climate Investment Fund	Tigran Khachatryan Minister of Economy,

Name of initiative/ project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
Insurance Programme	climate extremes (frost and hail) If successful, it will be scaled nationwide.	towards climate change and agriculture activities			EUR 12 million	tkhachatryan@mineconomy.am
State programme of subsidizing agro-loans	The programme aims to reduce the interest rate of agro-loans for individual farmers to 5%. Moreover, if farmers unite into cooperatives, the rate for this state programme will be 3% and for business entities residing in border settlements, loans are available at a 0% interest rate.	Focus on developing new financing mechanisms that will channel investments towards agricultural activities	Ministry of Finance	Commercial Banks	n/a	Atom Janjughazyan, Minister of Finance
Public Sector Modernization Project III (PSMP III)	PSMP III supports three main components: (i) Public Financial Management Information Systems; (ii) e-Governance Solutions for Improved Service Delivery; and (iii) Capacity Building and Small Capacity Building Interventions.	Focus on development of a Government Financial Management Information System, including improvements in budget planning, budget execution, public procurement, debt management, accounting, budget reporting, and the general ledger - all of these directly related to work on alignment of national and sectorial policies with SDGs and budget processes in an equitable and gender-sensitive manner, including SDG tagging/coding, as advanced by the JP.	World Bank	Donor coordination group for the development of the public finance management Strategy, including ADB, SDC, EABR, UNDP, EU, USAID, GIZ, EBRD	IBRD: USD 21 million	Arman Vatyan, avatyan@worldbank.org
Public Finance Policy Reform Programme in Armenia	1. Improvement of fiscal governance standards along international/EU standards and a more business friendly tax environment with a wider tax base; 2. Improved programme	Focus on improved programme budgeting, as well as gender-responsive budgeting, which will be advanced and built upon within through both a whole-of-government	European Union	GIZ	European Neighbourhood Instrument: EUR 10.075 million	Paulius Strelciunas, Paulius.STRELCIUNAS@eas.europa.eu

Name of initiative/ project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
	budgeting in line with international practice resulting in enhanced accountability, transparency and efficiency of the budget; 3. Modernised financial accounting, recording and reporting through the implementation of the Government Financial Management Information System (GFMIS); 4. Improved public procurement systems by, inter alia, reducing the use of sole sourcing and strengthening its governance; 5. Reinforced internal controls systems supporting management and accountability in line with international practice and standards; 6. Enhanced quality of and public access to key fiscal information facilitating civil society's budget oversight and policy dialogue; 7. Improved budget oversight role of the National Assembly via its Finance Committee; 8. Strengthened external audit through greater role and visibility of the Chamber in line with INTOSAI standards.	approach (focus on national development strategy and strengthening the national PFM system for better SDG measurement and tracking, including appropriate disaggregation), as well as sectorial work on climate change, human capital and food security.				

Name of initiative/ project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
Rule of Law and SDGs in Armenia Reform Agenda	This SDG16 project will help the GoA ensure that selected national strategies are designed in line with SDG16 targets and indicators. It will moreover support the collection of alternative SDG16 data, using innovative, human rights-based and digital methods and approaches.	Focus on supporting the SDG nationalization process in Armenia, including linking nationalized SDG targets and indicators with Rule of Law and Human Rights-focused sectoral strategies and EU approximation commitments as well as improving the link between policies and results by collecting, generating and using SDG data.	UNDP	Armenia National SDG Innovation Lab, Ministry of Justice, Human Rights Defender Office and ArmStat	UNDP GP on RoL & Human Rights: USD 100,000	Marina Malkhasyan marine.malkhasyan@undp.org
EU4Climate, regional project with national component	The project supports the development and implementation of climate-related policies by the Eastern Partnership countries (Armenia, Azerbaijan, Belarus, Georgia, Republic of Moldova, and Ukraine) which contribute to their low emission and climate resilient development and their commitments to the Paris Agreement on Climate Change. It will identify key actions and results in line with the Paris Agreement, the "20 Deliverables for 2020", and the 2030 Agenda.	Focus on mainstreaming climate change-related priorities into various policy sectors, as well as developing policies and policy actions in line with the SDGs, international commitments as well as national development priorities	UNDP	N/A	EU Regional project Budget: USD 9,365,600 National Component: USD 930,365	Armen Martirosyan armen.martirosyan@undp.org
National Adaptation Plan (NAP) to advance medium and long- term adaptation planning in Armenia	The project builds on the national climate priorities communicated in the 2015 NDC and will support the GoA to advance its medium and long-term adaptation planning. Green Climate	Focus on developing a Climate Change Adaptation financing strategy (Output 4 of the project), including supporting the engagement of the private sector through a comprehensive	UNDP	Ministry of Environment	Green Climate Fund Budget: USD 2,999,593	Armen Martirosyan armen.martirosyan@undp.org

Name of initiative/ project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
	Fund resources will be used to enable the government to integrate climate change related risks, coping strategies and opportunities into ongoing development planning and budgeting processes, as well as prioritize adaption needs for financial assistance.	assessment of the enabling environment and barriers, in line with GoA's priorities.				
Modern Parliament for a Modern Armenia	(i) Quality of legislative function is improved through enhanced oversight capacity, as well as strengthened in-house research and inter-parliamentary exchange and cooperation; (ii) Transparency of legislative processes is increased with introduction of such tools as new inter-parliamentary web-portal and a hub for interactive public outreach; and (iii) Legislative responsiveness, empathy and participatory approach is embedded in MPs' work through a number of traditional and innovative tools connecting MPs with civil society and citizens.	Focus on supporting the newly elected National Assembly to perform efficiently, deliver on its mandate in a credible manner and take advantage of modern governance tools and mechanisms, as well as strengthen its capacity to support and monitor the implementation of the SDGs of the 2030 Agenda.	UNDP	National Assembly of the Republic of Armenia	Foreign Ministry of Sweden: USD 5 million (Foreign Ministry of Sweden: USD 209,754, UK/Good Governance Fund: USD 2,021,634 Sida: USD 1,871,658. Unfunded: USD 896,954)	Alla Bakunts alla.bakunts@undp.org
Implementation of "Intended Nationally Determined Contributions" of the Republic of Armenia in rural	Raised awareness of the climate revolving civil fund (RCF) concept, purpose and operating principles; created necessary preconditions for the formation of RCFs; revealed communities which	Focus on promoting climate change investments through innovative financing mechanisms, including community co-financing instruments such as local budgets, thereby enabling	UNDP/GEF Small Grants Programme	"Khazer" NGO; Rural communities	USD 150,000 from GEF	Hovhannes Ghazaryan hovhannes.ghazaryan@undp.org

Name of initiative/ project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
communities (UNDP/GEF Small Grants Programme)	are willing and ready for formation of climate RCFs and financed competitively selected investment projects through the established RCFs with community co-financing (subventions, local budget, etc.)	accelerated progress towards selected SDGs.				
Armenia's Third Biennial Update Report to the UNFCCC (BUR3)	The BUR3 development will help to further improve and consolidate the reporting processes following the recommendations provided during technical analysis of the Armenia's BURs. Quality improvement works for the GHG Inventory and Mitigation-related reporting under BUR3 will include the assessment on progress of policies and actions implemented in the country within 2015-2018. Constrains, gaps and related financial, technical and capacity needs will be identified and information on support received will be provided. Requirements for domestic Monitoring, Reporting and Verification arrangements related to mitigation measures, including associated support received, will be formulated to overcome some of the main gaps the country faces.	Focus on financial, technical and capacity needs assessments and the support for domestic GHG measurement, reporting and verification arrangements. This will help the GoA understand and address current climate change bottlenecks and needed mitigation measures in a more systemic manner.	UNDP	Ministry of Environment	GEF Budget: \$352,000	Armen Martirosyan armen.martirosyan@undp.org

Name of initiative/ project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
Development Assistance Database	Design of a Development Assistance Database as part of the GoA PAR.	Focus on aligning development assistance and GoA development priorities/SDGs.	UNDP and UN RCO	DPM's office, Ministry of Finance	EU: USD 200,000 (source yet to be decided)	Babken DerGrigorian babken.dergigorian@un.org
Social Impact Bond in the dairy sector	The development and piloting of the social impact bond in the dairy sector will help increase income levels of approximately 700 small-holding farmers through productivity improvements. Payments for pre-defined social outcomes will be guaranteed by the GoA through a pay for success outsourcing scheme, thereby paving the way for new types of partnerships between the GoA and the private sector or SCOs. The introduction of outcome-based payment structures will moreover ensure that development resources are channelled towards underfinanced sectors in line with medium- and long-term development objectives.	Focus on impact investment ecosystem development in Armenia, which will help channel private sector action and unlock private capital towards SDGs acceleration. Moreover, the projects will engage multiple stakeholders, including the private sector (particularly investors and the tech community), academia, GoA and development partners which will support the design and scaleup of high-impact tech solutions that	UNDP	Ministry of Economy	CIF: USD 500,000 (SIB, Tech4SDG Fund, SDG Investor Map were completed from this funding source, also GovTech ImpactAIM)	Vahagn Voskanyan vahagn.voskanyan@undp.org
Tech4SDGs Impact Fund	The USD 40 million Granatus Tech4SDG Fund aims to leverage rapidly developing technologies and engineering talent to maximise the social and environmental impact and mitigate Environmental Social and Governance			Ministry of High-Tech Industry; Venture Funds		

Name of initiative/ project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
	(ESG) risks of its investments.	address development challenges/the SDGs.			UNDP-Russia Trust Fund: USD 450,000 (WildFire and Gegharkunik Projects) ImpactAIM	
SDG Investor Map	The objective of the SDG Investor Maps is to offer public and private investors actionable intelligence and localized insights into sectors and market conditions that will help accelerate the implementation of the SDGs whilst also establishing effective synergies with national and sector-specific policy priorities			Ministry of Finance, Ministry of Economy & International & Local Investors	ADB Ventures: USD 100,000 ImpactAIM	
ImpactAIM Accelerator	UNDP ImpactAim impact venture supports innovators and start-ups through thematic acceleration programmes that provide technology and business expertise, impact measurement skills, access to global professional networks, and mentorship/funding matching. Moreover, ImpactAIM supports collaboration between the government, private sector, and development agencies with the goal to creating a worldwide culture of utilizing private sector expertise to achieve the SDGs.			Ministry of High-Tech Industry, Ministry of Environment, Ministry of Economy, Technology Accelerators *500 startups, EIF, IBM, ISTC, Venture Funds	Innovation Facility: USD 50,000 Delivering Together Facility: USD 100,000 ImpactAIM	Ruzanna Safaryan ruzanna.safaryan@undp.org
Transformative School Feeding	In 2020 WFP and GoA launched a new phase of the Transformative School Feeding Programme which will turn schools into	Focus on supporting the integration of school and community-based production with local agribusinesses, thus	WFP	Ministry of Education, Science, Culture and Sport, Ministry of	USD 18 million, Russian Federation	Serena Mithbaokar serena.mithbaokar@wfp.org

Name of initiative/ project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
	vehicles for accelerating progresses towards Food Security, Human Capital development and local economic growth. Schools and community-based Food Value Chains will be established and linked to agribusinesses to improve the availability and affordability of nutritious food. Additional investments will transform schools into platforms to improve the nutrition education of community members and support the latter with technical and vocational trainings to acquire the skillset necessary to access job opportunities.	supporting the local improvement of nutrition-sensitive food value chains and fostering local economic development; providing social protection-targeted individuals and community members with vocational trainings to improve the skillset of the population to improve their active engagement to the labour market; and improving the nutrition education of children and community members at large to promote the consumption of nutritious food products that will be provided thanks and through improved agribusinesses.		Economy, Ministry of Social and Labour Affairs. Social and Industrial Foodservice Institute (SIFI), Russian Federation.		
Nutrition-sensitive Food Value Chains	The programme supports local farmers and agribusinesses elevating the quantity and quality of nutritionally diversified food products to be made available in national and international markets at affordable prices. In parallel, WFP efforts support improving the nutrition education of the population to stimulate the consumption of nutritious food, as well as supporting producers strengthening their linkages with local, national and international markets	Focus on supporting the aggregation of farmers and elevate the production/ processing capacity of agribusinesses to improve the diversification and availability of nutritious food products at affordable prices; supporting the GoA with the design and refinement of favourable policies to attract capital investments in the country towards agribusinesses and support their development; and strengthening the access of agribusinesses to national and international markets.	WFP	UNDP, FAR	USD 350,000- WFP Corporate Funding	Arpine Porsughyan arpine.porsughyan@wfp.org

Name of initiative/ project	Key expected results	Links to the joint programme	Lead organization	Other partners	Budget and funding source	Contract person (name and email)
Adolescents as Agents of Climate Action in their Communities	Outputs: 1) improved enabling environment in schools and communities on Climate Change action; 2) increased capacity and knowledge on Climate Change; 3) engaged and empowered adolescents as agents of Climate Change action; 4) implemented local Climate Change actions.	Focus on local level budgeting and planning, including implementation of local climate actions with adolescent participation.	UNICEF	Ministries of Environment, Territorial Administration &Infrastructure, Education, Science, Culture and Sport, communities, marzpetarans, schools, teachers and adolescents	Austrian Development Cooperation, EUR 1,858,539 (EUR 1,455,446 ADC, EUR 403,093 UNICEF)	Armenuhi Hovakimyan, ahovakimyan@unicef.org
Future Today	Action Result 2.3 Women engagement strengthened. 2.3.1. Women in remote communities empowered to engage more actively in income generation, political and community life via improved access to affordable inclusive early childhood development services; 2.3.2. Women's engagement is strengthened via improved access to resources and capacity building initiatives and men's engagement is improved in childcare and housework; 2.3.3. Parents are empowered and both fathers and mothers are engaged in making informed decisions for their family and children's wellbeing.	Focus on local level budgeting and planning for scale-up of inclusive preschool services, including development of national regulatory and budgetary framework.	UNICEF	UNDP, UNFPA, Ministries of Territorial Administration and Infrastructure, Education, Culture, Science and Sport, marzpetarans, consolidated communities	EU – UNICEF ECD component EUR 1.2 mln	Alvard Poghosyan, apoghosyan@unicef.org

Annex 2. Results Framework

2.1. Targets for Joint SDG Fund Results Framework

Joint SDG Fund Outcome 2: Additional financing leveraged to accelerate SDG achievement

Indicators	Targets	
	2020	2021
2.1: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scope ⁹	-	1:2 ¹⁰
2.2: Ratio of financing for integrated multi-sectoral solutions leveraged in terms of scale ¹⁰	-	1:4 ¹¹

Joint SDG Fund Output 4: Integrated financing strategies for accelerating SDG progress implemented

Indicators	Targets	
	2020	2021
4.1: #of integrated financing strategies that were tested (disaggregated by % successful / unsuccessful)	-	3
4.2: #of integrated financing strategies that have been implemented with partners in lead ¹²	-	1
4.3: # of functioning partnership frameworks for integrated financing strategies to accelerate progress on SDGs made operational	-	1

Joint SDG Fund Operational Performance Indicators

- Level of coherence of UN in implementing programme country¹³
- Reduced transaction costs for the participating UN agencies in interaction with national/regional and local authorities and/or public entities compared to other joint programmes in the country in question
- Annual % of financial delivery
- Joint programme operationally closed within original end date
- Joint programme financially closed 18 months after their operational closure
- Joint programme facilitated engagement with diverse stakeholders (e.g. parliamentarians, civil society, IFIs, bilateral/multilateral actor, private sector)
- Joint programme included addressing inequalities (QCPR) and the principle of "Leaving No One Behind"
- Joint programme featured gender results at the outcome level
- Joint programme undertook or draw upon relevant human rights analysis, and have developed or implemented a strategy to address human rights issues
- Joint programme planned for and can demonstrate positive results/effects for youth
- Joint programme considered the needs of persons with disabilities
- Joint programme made use of risk analysis in programme planning
- Joint programme conducted do-no-harm / due diligence and were designed to take into consideration opportunities in the areas of the environment and climate change

⁹Additional resources mobilized for other/ additional sector/s or through new sources/means

¹⁰Additional resources mobilized for the same multi-sectoral solution.

¹¹ The proposed ratios assume that for each USD 1 that the JP provides, an additional USD 2/4 will be mobilized to finance interventions and other activities in other/same priority areas. However, as the targets are set for 2020 and 2021 and the results of the JP are expected in 2022, the proposed ratios may need to be adjusted. This more so given the ongoing COVID-19 pandemic which may cause JP delays or distort investments to other areas.

¹² This will be disaggregated by (1) government/public partners (2) civil society partners and (3) private sector partners

¹³ Annual survey will provide qualitative information towards this indicator.

2.2. Joint programme Results framework

Result / Indicators	Baseline	2020 Target	2021 Target	Means of Verification	Responsible partner
Outcome 1: Armenia Transformation Strategy is anchored in an SDG-aligned, integrated, gender-sensitive and equitable financing framework					
Outcome 1 indicator: ATS adopted as the national SDG framework, promoting gender equality and LNOB, for enhanced policy coherence of sustainable development (SDG 17.14)	Not adopted	ATS drafted as the national SDG framework, promoting gender equality and LNOB	ATS adopted as the national SDG framework, promoting gender equality and LNOB	ATS document and results framework	UNDP in lead with UNICEF and WFP, DPM's office and National SDG Council (including among other women's rights NGOs, child rights, organizations of persons with disabilities etc.)
Outcome 1 indicator: Existence of a gender-sensitive nationally owned measurement and financing framework for public and private spending on SDGs	Not available	Nationally owned gender-sensitive measurement and financing framework for public and private spending on SDGs developed	Nationally owned gender-sensitive measurement and financing framework public and private spending on SDGs institutionalized within budget planning processes and development assistance	Budget Message, MTEF, INFF Roadmap; DAD	UNDP in lead with UNICEF and WFP, DPM's office and National SDG Council (including among other women's rights NGOs, child rights, organizations of persons with disabilities etc.), Ministry of Finance, respective line Ministries (Ministry of Environment, Ministry of Labour and Social Affairs, Ministry of Education, Science, Culture and Sport, Ministry of Health), and in partnership with EU and World Bank
Output 1.1: Armenia Transformation Strategy is adopted as an integrated, gender-sensitive and equitable national SDG framework					
Output 1 indicator: Level of ATS/SDG alignment, including gender and age considerations	0%	at least 60%, with gender/age considerations	at least 60%, with gender/age considerations	ATS document and results framework	UNDP in lead with DPM's office and National SDG Council (including among other women's rights NGOs, child rights, organizations of persons with disabilities etc.)
Output 1.1 indicator: Level of ATS/SDG harmonization with sectorial strategies, including gender and age considerations	0%	60% in three prioritized LNOB sectors, with gender/age considerations	80% in three prioritized LNOB sectors, with gender/age considerations	ATS document and sectorial strategy documents and results frameworks	UNDP in lead with UNICEF and WFP, DPM's Office, respective line Ministries (Ministry of Environment, Ministry of Labour and Social Affairs, Ministry of Education, Science, Culture and Sport, Ministry of Health), National SDG Council (including among other

Result / Indicators	Baseline	2020 Target	2021 Target	Means of Verification	Responsible partner
					women's rights NGOs, child rights, organizations of persons with disabilities etc.)
Output 1.2: Public finance management system is strengthened for better measurement and increased adequacy, effectiveness and equitability of the distribution of public resources for the realisation of gender-responsive, child-sensitive and SDG-aligned policies					
Output 1.2 indicator: Level of alignment of ATS/SDG policy targets/indicators with the MTEF/budget programmes	n/a	100% of ATS targets are mapped with budget programme structure	100% of ATS targets are mapped with budget programme structure and at least 70% ATS/SDG targets aligned with budget performance framework/targets	MTEF, Budget Message Annex 3, expert report	UNDP with UNICEF and WFP as well as DPM's office and the National SDG Council (including among other women's rights NGOs, child rights, organizations of persons with disabilities etc.), Ministry of Finance, line Ministries
Output 1.2 indicator: Existence of a system to track and make allocations for specific SDG targets, including gender equality and children (SDG 1.b, 5.c and 17.14)	The budgeting system does not include an SDG perspective and partially specifies allocations to gender equality and children in the relevant sectors and agencies	The budgeting process partially includes an SDG perspective and partially specifies allocations to gender equality and children in the relevant sectors and agencies, including specific indicators and a tracking system Report on budget allocations by ATS/SDGs is developed	Automatic reporting on budget allocations and expenditures by ATS/SDGs, including gender equality and children, is bridged with FMIS database and reports produced	Published budget reports by ATS/SDGs	UNDP and UNICEF with DPM's office and the National SDG Council (including among other women's rights NGOs, child rights, organizations of persons with disabilities etc.), Ministry of Finance, respective line Ministries, and in partnership with the EU
Output 1.2 indicator: Level of awareness of relevant GoA staff on	0, considering all three	30% in three prioritized areas	60% in three prioritized areas	Training materials and reports; pre-	UNDP and UNICEF with DPM's office, Ministry of Finance, line Ministries, and in partnership with the EU

Result / Indicators	Baseline	2020 Target	2021 Target	Means of Verification	Responsible partner
gender-responsive, child-sensitive and SDG-aligned programme-based budgeting	aspects (gender, age, SDGs)			and post-training assessments	
Output 1.3: Public, private and development financing landscape, including existing flows, gaps and options, is mapped to inform the implementation of the ATS					
Output 1.3 indicator: Overall ATS costing conducted to assess financing needs	Not assessed	DFA conducted	INFF roadmap prepared; MTEF and budget estimates/costing cover at least 70% of ATS targets	INFF roadmap, DFA report MTEF, 2023 annual budget	UNDP with DPM's office, Ministry of Finance and Ministry of Economy
Output 1.3 indicator: Extent of alignment of DAD with country-owned results frameworks and planning tools for ATS/SDG implementation (SDG 17.15)	0%	70% alignment of DAD with ATS/SDGs	90% alignment of DAD with ATS/SDGs. Donor support programmes are synergistically presented with budget programmes in the 2022 Budget Message	Donor Assistance Database 2022 Budget Message	UNDP with DPM's office, Ministry of Finance, line Ministries, in partnership with the EU
Outcome 2: Public and private investment and financing options for climate change, human capital and food security are identified, enabling accelerated, evidence-based and accountable progress towards selected SDGs					
Outcome 2 indicator: Proportion of government spending on essential services related to climate change	Not available	No change due to budget cycle ¹⁴ but data generated	At least 5% ¹⁵ increase in budget allocations vs. average growth of the budget	Costing reports for climate change programming, MTEF, Budget Law	UNDP with the Ministry of Finance
Outcome 2 indicator:	Not available	No change due to budget	At least 5% ¹⁷ increase in budget	Costing reports for food security	WFP with the Ministry of Finance

¹⁴ The COVID-19 pandemic requires sufficient public funding to ensure a comprehensive response, which is not reflected in the current budget.

¹⁵ The percentage will depend on the impact of the COVID-19 crisis and socio-economic recovery and will need to be adjusted during JP implementation.

¹⁷ The percentage will depend on the impact of the COVID-19 crisis and socio-economic recovery and will need to be adjusted during JP implementation

Result / Indicators	Baseline	2020 Target	2021 Target	Means of Verification	Responsible partner
Proportion of government spending on essential services related to food security		cycle ¹⁶ but data generated	allocations vs. average growth of the budget	programming, MTEF, Budget Law	
Outcome 2 indicator: Proportion of government spending on essential services (social protection, education, health) and food security	8.4% education; 5.5% health; 28.8% social protection (from State budget)	No change due to budget cycle ¹⁸	At least 10% ¹⁹ increase in budget allocations for those sectors vs. average growth of the budget	Costing reports for and human capital programming, MTEF, Budget Law	UNICEF with the Ministry of Finance
Output 2.1: Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectoral targets					
Output 2.1 indicator: Number of gender-sensitive and SDG-related (climate change, food security and human capital) expenditure reviews and assessments conducted	0	At least 2 gender-sensitive and SDG-related expenditure reviews and assessments conducted	At least 5 gender-sensitive and SDG-related expenditure reviews and assessments conducted	Climate Public Expenditure & Institutional Review, Climate Change Financing Gap Assessment, Human Capital Costing exercise, Needs-based analysis of Agriculture strategy	UNDP, UNICEF and WFP with support from FAO, as well as line ministries (Ministry of Environment, Ministry of Labour and Social Affairs, Ministry of Education, Science, Culture and Sport, Ministry of Health), Ministry of Finance, in partnership with the World Bank
Output 2.1 indicator: Financing gaps identified in three prioritized areas considering LNOB and gender equality principles	No gaps identified	Financing gaps identified in at least 1 prioritized area considering LNOB and gender equality principles	Financing gaps identified in 3 prioritized areas considering LNOB and gender equality principles	Climate Public Expenditure & Institutional Review, Climate Change Financing Gap Assessment, Human Capital Costing exercise, Needs-based analysis of Agriculture strategy	UNDP, UNICEF and WFP with support from FAO, as well as line Ministries (Ministry of Environment, Ministry of Labour and Social Affairs, Ministry of Education, Science, Culture and Sport, Ministry of Health), Ministry of Finance, in partnership with the World Bank
Output 2.2: Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient and adequate public and private resources					

¹⁶ The COVID-19 pandemic requires sufficient public funding to ensure a comprehensive response. This will impact the current budget cycle.

¹⁸ The COVID-19 pandemic requires sufficient public funding to ensure a comprehensive response. This will impact the current budget cycle.

¹⁹ The percentage will depend on the impact of the COVID-19 crisis and socio-economic recovery and will need to be adjusted during JP implementation

Result / Indicators	Baseline	2020 Target	2021 Target	Means of Verification	Responsible partner
Output 2.2 indicator: Number of gender-sensitive and inclusive Financing Frameworks Developed	0	0	3 gender-sensitive and inclusive Financing Frameworks developed for the 2022-2024 MTEF process	Climate Change Financial Framework; Human Capital Financial Framework; & Agriculture Financial Framework	UNDP, UNICEF and WFP with support from FAO, as well as line Ministries (Ministry of Environment, Ministry of Labour and Social Affairs, Ministry of Education, Science, Culture and Sport, Ministry of Health), Ministry of Finance
Output 2.2 indicator: Number of gender-sensitive and SDG-related (climate change, food security and human capital) financing options developed	0	At least 1 gender-sensitive and SDG-related financing option developed	At least 3 gender-sensitive and SDG-related financing option developed	Climate change, human capital and food security analysis reports	UNDP, UNICEF and WFP with support from FAO, as well as line Ministries (Ministry of Environment, Ministry of Labour and Social Affairs, Ministry of Education, Science, Culture and Sport, Ministry of Health), Ministry of Finance, in partnership with the World Bank

Annex 3. Gender marker matrix

Indicator		Score	Findings and Explanation	Evidence or Means of Verification
N°	Formulation			
1.1	Context analysis integrate gender analysis	2	<p>a) The JP is designed keeping in mind underlying causes and consequences of gender inequality across various sectors, in policy development and implementation, and through the budget allocation process.</p> <p>b) The JP considers sex-disaggregated and gender sensitive data when available and proposes new ways to collect and display disaggregated data for improved gender analysis, including gender analysis of those furthest behind.</p>	<p>The overall JP is designed to address gender inequality issues in line with the broader SDG framework, including policy legislation issues for the promotion of gender equality and the empowerment of all women and girls at all levels (SDG targets 1.b and 5.c). The context analysis underpinning the focus and design of the JP (section 1.1. Problem Statement) highlights gender disparities in Armenia, shortcomings in the mechanisms and capacities available at existing institutions to promote gender equality among target groups and the lack of sex-disaggregated and gender-sensitive data for evidence policy making. Information from sectors that disproportionately benefit women, the poor and other vulnerable groups (e.g. health, education, food safety and security, employment, resilience) are showcased and suggestions on how to re-aligning public and private financial resources (domestic and international) towards women are introduced. Building on the experience of implementing projects in the priority areas of the JP, gendered realities at community or societal level will be closely assessed to ensure that proposed financial frameworks benefits both men and women, including those furthest behind.</p>
1.2	Gender Equality mainstreamed in proposed outputs	3	<p>Gender equality considerations are core to the JP's approach and mainstreamed across all five outputs of the JP, in line with SDG priorities and closely linked to the gender-sensitive targets 1.b and 5c.</p>	<p>For outcome 1, the JP sets out to provide gender-sensitive guidelines for policy harmonization (output 1.1); strengthen the link between national data (disaggregated by age, gender, location etc.) and the budget performance monitoring and reporting system (output 1.2); and support capacity development within the MoF and the DPM's Office for operationalization of the Development Assistance Database using SDG tagging/coding, including SDG5 (output 1.3). For outcome 2, which is focused on public and private investment and financing options for climate change, human capital and food security, gender-sensitive and SDG-related expenditure reviews and assessments will be conducted (output 2.1) along with gender-sensitive and SDG-related financing options developed (output 2.2). The JP will capitalize on EU's efforts in gender-responsive budgeting, linking those to SDGs and adding a child lens as well for more equitable outcomes.</p>
1.3	Programme output indicators	3	<p>More than 60% of the JP indicators are linked to gender equality, in line with SDG</p>	<p>7 out of 11 output indicators, i.e. 63.6% of the indicators presented in the JP Results Framework are gender sensitive</p>

	measure changes on gender equality		priorities, particularly SDG targets 1.b and 5c.	and will contribute to the progress tracking of GEWE. National SDG data, provided by ArmStat, line Ministries, GEWE CSOs etc. will also compliment JP output indicator as an additional measure to assess gender progress.
2.1	PUNO collaborate and engage with Government on gender equality and the empowerment of women	2	<p>a) UNDP have consulted at least two governments agencies, including the MoF regarding SDG budgeting, SDG tagging/coding for SDG aligned programmes, gender data disaggregation as well as on-going gender-sensitive reforms. Moreover, UNICEF, the Ministry of Social and Labour Affairs (MSLA) and the World Bank co-lead the Gender Thematic Group where the development of the Gender Equality strategy and Action Plan were discussed, including financing, together with multiple women's rights organizations.</p> <p>c) Through the JP, an SDG integrated policy, planning and budgeting framework, gender sensitive financing options as well as mechanisms to engage Women rights groups in the SDG nationalization process will be promoted. Jointly, this will substantively strengthen the GoA's participation and engagement in gender related SDG implementation.</p>	<p>The PUNOs have engaged with several government agencies both before and during the design of the JP to ensure that activities and outputs foster gender equality. UNDP initiated discussion with the MoF in June 2019 regarding the opportunity to introduce coding/tagging principles for SDG aligned programmes and projects within the MTEF and budget programme classification structure, including for SDG5. Since then, UNDP and the UNRC's Office have discussed this in greater detail, including proposed activities to ensure GoA/MoF buy-in and optimal design for implementation. Through the Gender Thematic Group, the PUNOs, under the co-leadership of UNICEF, worked with the MoLSA, the World Bank and 35+ NGOs, including GEWE CSO and women's rights advocates to develop the country's new Gender Equality Strategy. This strategy will be mainstreamed across JP activities, thereby helping to strengthen the GoA's participation and engagement in gender related SDG implementation.</p>
2.2	PUNO collaborate and engages with women's/gender equality CSOs	2	<p>a) The PUNOs engaged with 35+ GEWE CSO and women's rights advocates in the Gender Thematic Working Group during the development of the country's new Gender Equality Strategy. This strategy lays the foundation for many of the components of the JP and will also guide its implementation.</p> <p>c) The JP will strengthen GEWE CSO participation and engagement in the SDGs nationalization process, the development of the ATS and the 20+ sectoral strategies, thereby ensuring that gender considerations are assessed and incorporated in a holistic manner.</p>	<p>The PUNOs continuously engage with GEWE CSO and women's rights advocates as part of on-going projects as well as through coordination meetings organised by the Gender Thematic Working Group and the National SDG The JP is designed in response to opinions, analysis, data and other information shared during these consultations, including in line with the new Gender Equality Strategy, developed in collaboration between UNCT, MSLA, World Bank and 35+ NGOs, including GEWE CSO and women's rights advocates. Moreover, during the design of the JP, the UNCT SDG Nationalization Task Force, under the leadership of the UNRC's Office, have worked closely with the DPM's office to ensure that Women Rights organizations are presented in the to be established National SDG Council. This will help ensure that gender considerations are accounted for in the nationalized SDGs, the ATS, 20+ sectoral strategies as well as planning</p>

				and budgeting frameworks. GEWE CSO and women's rights advocates will be involved in several activities during JP implementation, not least when developing gender-sensitive guidelines for policy harmonization and conducting gender-sensitive and SDG-related expenditure reviews and assessments,
3.1	Program proposes a gender-responsive budget	1	25% of the total budget is allocated to gender equality	The project will directly contribute to SDG targets 1.b (11%) and 5.c (10%) through the promotion and adaptation of gender sensitive policies and budgets, as well as financing framework. Moreover, the JP contributes to achieving gender equality through investments in girls education - 4.2 (1%), through enhance policy coherence for sustainable development - 17.14 (1%) and multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals, including SDG - 17.16 (1%).The JP also has a strong focus on SDG coding/tagging for SDG aligned programmes and projects within the MTEF and budget programme classification structure, including data disaggregation (gender, age, location etc.) which will help the GoA develop effective, accountable and transparent institutions at all levels - 16.6 (1%). The JP team will also work closely with the MoF and the EU to align relevant JP activities with the gender-responsive budgeting component of the ongoing Public Finance Policy Reform Programme in Armenia, thus promoting gender-responsive budget across all sectors.
Total scoring		2		

Annex 4. Budget and Work Plan

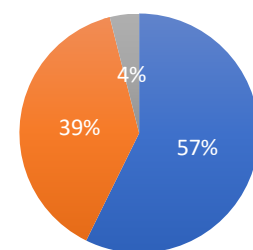
4.1 Budget per UNSDG categories

UNDG BUDGET CATEGORIES	PUNO 1- UNDP		PUNO 2 WFP		PUNO 3 UNICEF		TOTAL	
	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)	Joint SDG Fund (USD)	PUNO Contribution (USD)
1. Staff and other personnel	37,687	432,000	41,823	60,000	0	150,000	79,510	632,000
2. Supplies, Commodities, Materials	0		0		0		0	
3. Equipment, Vehicles, and Furniture (including Depreciation)	2,500		0		0		2,500	
4. Contractual services	444,573		168,177		195,000		807,750	
5.Travel	24,000		0		15,000		39,000	
6. Transfers and Grants to Counterparts	0		0		0		0	
7. General Operating and other Direct Costs	5,240		0		0		5,240	
Total Direct Costs	514,000		210,000		210,000		934,000	
8. Indirect Support Costs (Max. 7%)	35,980		13,650		14,700		64,330	
TOTAL Costs	549,980	432,000	223,650	60,000	224,700	150,000	998,330	632,000
1st year	279,165	342,250	120,000	30,000	100,000	70,000	499,165	412,250
2nd year	270,815	89,750	103,650	30,000	124,700	80,000	499,165	169,750

The total budget of the JP is of USD 1,640,330 and will be divided between the three PUNOs, namely UNDP, UNICEF and WFP. Out of the total budget, the request from the UN SDG Fund is USD 998,330 (Total Direct Costs: USD 934,000 and Total Indirect Support Costs USD 64,330) while an additional USD 642,000 will be provided through PUNO contributions, leveraging resources from ongoing projects and human resources.

Of the total budget, UNDP will receive 55% of the share as lead PUNO, highly involved in the realisation of the horizontal workstream of the JP (Outcome 1) as well as the climate change-related components of the vertical workstream (Outcome 2) and Joint Functions. UNICEF and WFP will receive 23% and 22% respectively for their contributions to Outcomes 1 and 2, with the majority of the budget going to food security and human capital development activities under the vertical workstream.

Total JP overview



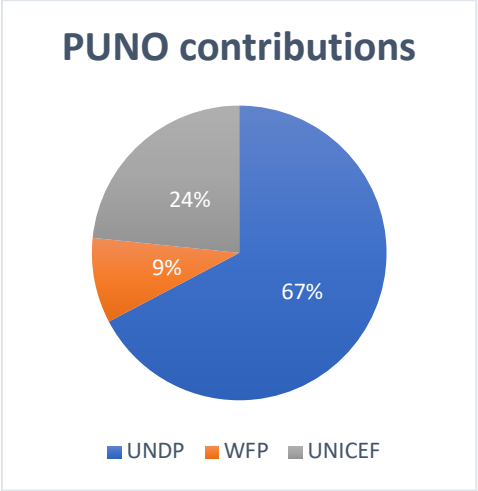
■ JP budget, excluding ISC
 ■ PUNO contributions
 ■ Indirect Support Cost

83% of the proposed budget will directly support the PUNOs to implement their activities through contractual services, via their engagement with international and national experts, companies as well as academia. Some funds are reserved for travel and DSA of PFM and other experts as well as for South-South collaboration and sharing of lessons learn and tools.

To ensure the gradual and successful implementation of the JP over the two-years timeframe in line with the proposed work-plan, 63% of activities will take place in Year 1 and the remaining 37% in Year 2. By doing so, the PUNOs will be able cross-fertilize the results of their activities in Year 1 with the broader UN team, PUNOs, partners and global SDG Finance Fund JPs, thus supporting the effectiveness and value for money of the interventions.

Leveraging on the PUNOs ongoing activities and endeavours towards the realisation of the 2030 Agenda in the country, additional USD 632,000 will be made available through PUNOs contributions. USD 432,000 will come from UNDP, USD 60,000 from WFP and USD 150,000 from UNICEF. This clearly demonstrates the clear interlinkages between the JP and the respective PUNO portfolios.

Of the total USD 998,330 budget requested to the Joint SDG Fund, the PUNOs will retain USD 64,330 for Indirect Support Costs that will support UN Agencies to execute their interventions. This is in line with ISC rates adopted by the Executive Boards of respective PUNOs, noting the 7% ISC rate adopted by UNDP and UNICEF and 6.5% by WFP.



4.2 Budget per SDG targets

SDG TARGETS		%	USD
1.a	Ensure significant mobilization of resources from a variety of sources, including through enhanced development cooperation, in order to provide adequate and predictable means for developing countries, in particular least developed countries, to implement programmes and policies to end poverty in all its dimensions	12%	185,980
1.b	Create sound policy frameworks at the national, regional and international levels, based on pro-poor and gender-sensitive development strategies, to support accelerated investment in poverty eradication actions	11%	168,860
2.1	By 2030, end hunger and ensure access by all people, in particular the poor and people in vulnerable situations, including infants, to safe, nutritious and sufficient food all year round	12%	195,300
3.2	By 2030, end preventable deaths of newborns and children under 5 years of age, with all countries aiming to reduce neonatal mortality to at least as low as 12 per 1,000 live births and under-5 mortality to at least as low as 25 per 1,000 live births	3%	43,200
4.1	By 2030, ensure that all girls and boys complete free, equitable and quality primary and secondary education leading to relevant and effective learning outcomes	4%	57,600
5.C	Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels	10%	151,740
13.2	Integrate climate change measures into national policies, strategies and planning	7%	113,520
16.6	Develop effective, accountable and transparent institutions at all levels	8%	120,680
17.3	Mobilize additional financial resources for developing countries from multiple sources	4%	63,040
17.14	Enhance policy coherence for sustainable development	9%	148,160
17.15	Respect each country's policy space and leadership to establish and implement policies for poverty eradication and sustainable development	16%	245,960
17.16	Enhance the Global Partnership for Sustainable Development, complemented by multi-stakeholder partnerships that mobilize and share knowledge, expertise, technology and financial resources, to support the achievement of the Sustainable Development Goals in all countries, in particular developing countries	5%	81,960
TOTAL		100%	1,576,000*

*The total budget includes JP budget, excluding ISC, as well as PUNOs' contributions.

In line with the Terms of Reference of the Joint SDG Fund, and a total budget of USD 1,576,000, the JP will support 8 SDGs through 12 SDG targets, including four SDG 17 targets related to partnership, particularly finance, capacity building, systemic issues and data, monitoring and accountability. Accelerated achievement of these targets will in turn service as an “SDG multiplier” by enabling progress across all other SDGs thanks to the interlinked nature of the SDGs and the GoA strategies and plans themselves.

With a clear focus on supporting the establishment of PPPs and other forms of partnerships, the design of innovative financing solutions for Armenia and SDG policy coherence, 34% of the JP budget will directly contribute to SDG 17 Partnerships (SDG targets 17.3 17.14, 17.25 and 17.16). Particularly, 16% of the overall budget and 26% of UNDP’s budget used to support SDG target 17.15 through capacity development and technical assistance for the operationalization of the DAD for improved coordination and usage of ODA.

23% of the budget will support the PUNOs and the GoA in their endeavours to eradicate poverty (SDG targets 1.a and 1.b) in the country through creation of an SDG Framework anchored to the ATS and the development of pro-poor and gender-sensitive policy frameworks that will attract resources and accelerate investments targeting the most vulnerable groups of the population, especially women. Total contribution to gender equality sums 25%, split between targets 1.b (11%), 5.c (10%), 4.2 (1%), 17.14 (1%); 17.16 (1%) and 16.6 (1%).

The three themes approached by the JP, namely climate change, food security and human capital will create conditions to accelerate the achievement of several outcome-based targets through policy and financing-oriented activities. In line with each PUNO’s respective estimates, 12% of the overall budget will go towards no hunger (SDG target 2.1), 3% towards health (SDG target 3.2), 4% towards education (SDG targets 4.1) and 7% towards climate change (SDG target 13.2). SDG 16, through target 16.6 will moreover receive up to 8% of the total budget through integrated and cross-sectoral interventions focused on developing effective and transparent institutions at all levels.

On these lines, the JP will cater for the best value for money of investment and maximisation of results also when considering the more limited impact that agency-specific interventions would have. Leveraging on the JP’s joint assessments, platforms and SDG log-frames that will be created, the UN systems overall and the GoA will be better positioned to fully unlock the potential of the country and its systems to follow an equitable and sustainable development path towards the realisation of the SDGs by 2030.

4.3 Work plan

Outcome 1: Armenia Transformation Strategy is anchored in an SDG-aligned, integrated, gender-sensitive and equitable financing framework																	
Output	Annual target/s		List of activities	Time frame								Planned budget				PUNO/s involved	Implementing partner/s involved
	2020	2021		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)	Total Cost (USD)		
Output 1.1: Armenia Transformation Strategy is adopted as an integrated, gender-sensitive and equitable national SDG framework	at least 60%, with gender/age considerations	at least 60%, with gender/age considerations	Activity 1.1.1 Align and link the ATS megagoals with national SDG targets and indicators, including considerations for LNOB and gender equality									The total cost for output (126,000 USD) will be used for hiring of contractors (individual or companies) to provide technical and methodological support in the development of guidelines, SDG alignment and piloting, as well as involvement of PUNO staff and related initiatives for the achievement of the output.				UNDP, UNICEF and WFP	Office of the Deputy Prime Minister, respective line Ministries (Ministry of Environment, Ministry of Labour and Social Affairs, Ministry of Education, Science, Culture and Sport, Ministry of Health), National Council on Sustainable Development (including among other women's rights NGOs, child rights, organizations of persons with disabilities etc.)
	60% in three prioritized LNOB sectors, with gender/age considerations	80% in three prioritized sectors, with gender/age considerations	Activity 1.1.2 Develop inclusive & gender-sensitive guidelines for harmonization of ATS & sectoral strategies with national SDG framework								JP SDG Fund budget: 69,000 USD Activity 1.1.1. - 19,000 USD Activity 1.1.2 - 10,000 USD (split between UNDP and UNICEF) Activity 1.1.3 - 40,000 USD (split between UNDP, UNICEF and WFP) PUNO contribution: 57,000 USD UNDP - 27,000 USD; SDG16 project + staff contribution UNICEF - 20,000 USD, staff contribution WFP – 10,000 USD, staff contribution	\$69,000	\$57,000	\$126,000			
			Activity 1.1.3 Pilot the ATS/SDG harmonization guidelines through in-depth mapping & analysis of policies in three cross-cutting areas of LNOB (climate change, food security and human capital)														
Output 1.2: Public finance management system is strengthened for better measurement and increased adequacy, effectiveness and equity of the distribution of public resources for the realisation of gender-responsive, child-sensitive and SDG-aligned policies	100% of ATS targets are mapped with budget programme structure	100% of ATS targets are mapped with budget programme structure and at least 70% ATS/SDG targets aligned with budget performance framework/targets	Activity 1.2.1 Map ATS/SDG policy targets and indicators with the MTEF and budget programme classification structure, including performance indicators.									The total cost for output (140,000 USD) will be used for hiring of PFM contractors (individual or companies) to provide technical and methodological support in the development of methodologies for budget classification, mapping budget programmes and SDG coding/tagging. Moreover, resources will be used for training (facilitator, venue, refreshments), public hearings, as well as possible travel and DSA for South-South cooperation (e.g. Mexico, Argentina). Involvement of PUNO staff and related initiatives will be used for the achievement of the output. JP SDG Fund budget:115,000 USD Activity 1.2.1. - 15,000 USD Activity 1.2.2 - 20,000USD Activity 1.2.3 - 50,000 USD Activity 1.2.4 - 30,000 USD PUNO contribution: 25,000 USD UNDP - 15,000 USD; SDG16 project + staff contribution UNICEF - 10,000 USD, staff contribution	\$115,000	\$25,000	\$140,000	UNDP and UNICEF	DMP's office, Ministry of Finance, respective line Ministries (Ministry of Environment, Ministry of Labour and Social Affairs, Ministry of Education, Science, Culture and Sport, Ministry of Health), National Council on Sustainable Development (including among other women's rights NGOs, child rights, organizations of persons with disabilities etc.) and in partnership with the European Union
	The budgeting process partially includes an SDG perspective and partially specifies allocations to gender equality and children in the relevant sectors and agencies, including specific indicators and a tracking system Report on budget allocations by ATS/SDGs is developed	Automatic reporting on budget allocations and expenditures by ATS/SDGs, including gender equality and children, is bridged with FMIS database and reports produced	Activity 1.2.2 Support the Ministry of Finance in adjusting and adopting MTEF and budget methodological instructions for SDG alignment, data disaggregation and gender- and age-responsiveness (including capacity development and on-the-job support of MoF staff and line Ministries)														
	30% in three prioritized areas	60% in three prioritized areas	Activity 1.2.3 Develop coding/tagging principles for SDG aligned programmes and projects within the MTEF and budget programme classification structure for better tracking of budgets in line with ATS and sectoral strategies														
			Activity 1.2.4. Capacity development and sensitization of various stakeholders (GoA, Parliament, NGOs, citizens) in understanding SDG-aligned and LNOB programming and budgeting, with focus on child-sensitive and gender-responsive budgeting														
Output 1.3: Public, private and development financing landscape, including existing flows, gaps and options, is mapped to inform the implementation of the ATS	DFA conducted	INFF roadmap prepared MTEF and budget estimates/costing cover at least 70% of ATS targets	Activity 1.3.1 Feasibility study to unlock innovative financing mechanisms from Diaspora									The total cost for output (420,000 USD) will be used for hiring of PFM contractors (individual or companies) to provide technical and methodological support in the development of feasibility studies, assessments, risk reviews, policy reviews. Moreover, resources will be used for training (facilitator, venue, refreshments) and on-the-job support, as well as stakeholder consultations. UNDP will provide staff and resource support for	\$170,000	\$250,00	\$420,000	UNDP	DPM's office, Ministry of Finance, Ministry of Economy, line Ministries and in partnership with the European Union
	70% alignment of DAD with ATS/SDGs	90% alignment of DAD with ATS/SDGs. Donor support programmes are	Activity 1.3.2 Conduct a Development Finance Assessment to increase the understanding of the current financial landscape needs and opportunities.														

		synergistically presented with budget programmes in the 2022 Budget Message	Activity 1.3.4 Capacity-development and technical assistance to MoF and PM's office for the operationalization of the Development Assistance Database, using SDG tagging/coding.									activities under this output. JP SDG Fund budget:170,000 USD Activity 1.3.1. - 45,000 USD Activity 1.3.2 - 85,000USD Activity 1.4.3 - 40,000 USD PUNO contribution: 250,000 USD UNDP - through the SDG investor map, Tech4SDGs fund and Social Impact Bond projects, as well as DAD,					
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Outcome 2: Public and private investment and financing options for climate change, human capital and food security are identified, enabling accelerated, evidence-based and accountable progress towards selected SDGs																	
Output	Annual target/s		List of activities	Time frame								Planned budget				PUNO/s involved	Implementing partner/s involved
	2020	2021		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Overall budget description	Joint SDG Fund (USD)	PUNO Contributions (USD)	Total Cost (USD)		
Output 2.1: Financing needs and gaps are diagnosed in the achievement of climate change, food security and human capital sectoral targets	At least 2 gender-sensitive and SDG-related expenditure reviews and assessments conducted	At least 5 gender-sensitive and SDG-related expenditure reviews and assessments conducted	Activity 2.1.1 Analyze the climate change financing landscape covering all public, private, domestic and international resources and implement a Climate Public Expenditure and Institutional Review (CPEIR)									The total cost for output: (385,000 USD) will be used for hiring of contractors (individual or companies) to conduct analytical work and financial assessments. Some resources will be used for workshops and meetings with key stakeholders for the validation of identified financing needs and gaps. Moreover, possible travel and DSA for international knowledge exchange on family-friendly policies and South-South cooperation. Involvement of PUNO staff and related initiatives will be used for the achievement of the output.	\$245,000	\$140,000	\$385,000	UNDP, UNICEF and WFP	Line ministries (Ministry of Environment, Ministry of Labour and Social Affairs, Ministry of Education, Science, Culture and Sport, Ministry of Health), Ministry of Finance, and in partnership with the World Bank and FAO
			Activity 2.1.2 Conducting costing and financing gap assessment for implementing national climate change strategies/priorities and development of policy recommendations on financing mechanisms														
			Activity 2.1.3 Conduct costing of human capital development programmes across 2030 and across target sectors to determine the collective investment gap from public and private resources.														
	Financing gaps identified in at least 1 prioritized area with focus on advancing gender equality and LNOB	Financing gaps identified in 3 prioritized areas with focus on advancing gender equality and LNOB	Activity 2.1.4 Build an investment case for family-friendly policies in Armenia														
			Activity 2.1.5 Cost-benefit analysis on the delivery of Food Security targeting investments, policies and interventions in agribusinesses development.														
			Activity 2.1.6 Carry-out a comprehensive analysis on finance expenditures for agriculture strategy implementation & towards agribusiness development														
Output 2.2: Coherent financing frameworks developed in the pre-selected sectors for the allocation of sufficient and adequate public and private resources	0	3 gender-sensitive and inclusive Financing Frameworks developed for the 2022-2025 MTEF process	Activity 2.2.1 Develop and introduce a Climate Change Financial Framework (CCFF) to help the government mobilize, manage and target climate finance									The total cost for output (370,000 USD) will be used for hiring of contractors (individual or companies) to conduct analytical work and financial assessments. Some resources will be used for workshops and meetings with key stakeholders for the validation and development of financing solutions, frameworks and options. Involvement of PUNO staff and related initiatives will be used for the achievement of the output.	\$230,000	\$140,000	\$370,000	UNDP, UNICEF and WFP	Line ministries (Ministry of Environment, Ministry of Labour and Social Affairs, Ministry of Education, Science, Culture and Sport, Ministry of Health), Ministry of Finance, and in partnership with the World Bank and FAO
	At least 1 gender-sensitive and SDG-related financing option developed	At least 3 gender-sensitive and SDG-related financing option developed	Activity 2.2.2 Conduct fiscal space analysis for human capital development & create a mix of financing options from public & private resources														
			Activity 2.2.3 Develop feasibility studies to support the government identifying profitable agribusiness models that have positive impacts on climate change, human capital development, economic growth and food security														
			Activity 2.2.4 Capacity development and technical assistance for designing financial framework to implement the agriculture strategy, through the aggregation of producers, and the attraction of capital investments towards agribusiness development														

Joint Functions														
List of activities	Time frame								Planned budget				PUNO/s involved	Implementing partner/s involved
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Overall budget description	Joint SDG Fund (USD)	PUNO Contribution s (USD)	Total Cost (USD)		
Joint communication, learning and sharing									Total cost for communication learning and awareness raising is 40,000 USD. The funds will be used for joint branding of the JP, visibility materials, photo production, infographics, online publications, etc. Each PUNO will contribute with their Communication teams	\$25,000	\$15,000	\$40,000	UNDP, UNICEF and WFP	Office of the Deputy Prime Minister, Ministry of Finance, respective line Ministries (Ministry of Environment, Ministry of Labour and Social Affairs, Ministry of Education, Science, Culture and Sport, Ministry of Health), National Council on Sustainable Development (including among others women's rights NGOs, child rights, organizations of persons with disabilities etc.)
Joint coordination, monitoring and reporting									A dedicated Joint JP Coordinator will be hired for the overall management and oversight of the JP; however, individual PUNO staff will be closely involved in JP coordination, reporting and monitoring	50,000	\$9,000	\$59,000	UNDP, UNICEF and WFP	
Joint evaluation									Joint evaluation of the JP will be commissioned towards the end of the project, through development of joint ToR, contracting of a company/individual and validation meeting with stakeholders.	\$30,000	\$6,000	\$36,000	UNDP, UNICEF and WFP	

Annex 5. Risk Management Plan

The PUNOs under the leadership of the UNRCO have embarked on risk-informed programming as one of the inseparable ways of planning and programming, monitoring and evaluation of the JP. The overall risk management strategy rests with the process of systematic identification and assessment of various risks to the JP, establishment of mitigation measures with clear roles and responsibilities, as well as regular documentation and review of risks throughout JP implementation.

The development of the JP was accompanied by a collective risk assessment and identification of risks, which were grouped into four categories: contextual, programmatic, institutional and fiduciary. The risk analysis examines how project outcomes and outputs might change due to the impact of the risk event and likelihood of occurrence and frequency.

Contextual risks, which are high-impact, have been assessed on the basis of various scenarios prepared by the UN Disaster and Security Management Teams. These risks will impact all of the JP's programming and will require more holistic and broader mitigation measures, with full senior management and GoA political involvement under the leadership of the UNRCO.

Considering the COVID-19 outbreak at the time of the JP development, which represents a significant contextual risk, the risk analysis was repeated for more informed and contextually fit programming. The pandemic is not only a global health emergency, taking a toll on human life, but is also a direct threat to the socio-economic security of communities, families and other vulnerable groups in Armenia. The lack of social protection, food security and safety will become even more pressing in the event of a prolonged economic downturn, with a disproportionate impact on women, children, persons with disabilities, persons living in poverty and those in informal employment. The crisis highlights the importance of effective economic and social protection measures, as well as food security to protect businesses and households against the crisis and provide rapid support. At a time of prolonged state of emergency, the GoA is likely to boost spending on health, education and social protection, however, concentrating on financial and short-term support packages.

While COVID-19 represents a clear risk to the JP, it also offers an opportunity during the state of emergency in linking increased Government spending on health, education and social protection with more sustainable and result-oriented long-term policy and financing solutions. In the post-crisis period, the GoA is also likely to develop institutional mechanisms to mitigate, addressing and minimise future vulnerabilities of families and communities to crisis, building resilience of social systems, driving family-oriented and equitable policies accompanied with effective, efficient and informed public and private investments.

Programme, institutional and fiduciary risks were jointly mapped by the JP PUNOs and the UNRCO with corrective actions and mitigation measures tailored to the JP. Agency-specific risk management tools and approaches for LNOB/gender equality assessments were also used, for example, UNDP's Social and Environmental Standards and Risks, UNICEF's Guidance for Risk-Informed Programming, UNICEF's Risk Management Policy, Armenia Country Office's risk register, UNICEF Emergency Preparedness Platform, WFP Corporate Risk Register (CRR) and others. Though, some of these include more overarching risks that concern UNDP's, UNICEF's and WFP's programming in Armenia more broadly, overarching principles to strengthen social and environmental sustainability, including gender, human rights and LNOB as well as preparedness and response plans informed the design of the JP-specific interventions.

The results of the risk assessment for the JP presented below in the risk matrix are documented in the form of a risk register for the project with clear Risk Owners, responsible for monitoring and mitigation. The value of the risk register lies in it being a living document which will be regularly reviewed and updated - from risk identification and

analysis through risk response planning and status update during risk monitoring and control. Such reviews will be conducted by the JP Steering Committee, the respective PUNO Senior Management, UNRCO as well as JP project team, particularly the JP project manager on a day-to-day basis.

The risk register will be rigorously reviewed and will be able to provide documentations, updates and other information related to:

- risk profiles, including changing risk profiles (probability and impact);
- arising new risks, including textual descriptions of each new risk and links to extended risk analysis documentation;
- risk triggers and steps or actions to be taken should the risk event actually occur;
- ongoing, planned and completed risk management actions; and
- residual risks, i.e. risks remaining after a contingent response, including secondary risks.

The Risk reviews will be a mandatory point on the agenda of the JP Steering Committee meetings and regular project meetings. The evaluation of risk management effectiveness will be conducted as part of the final JP evaluation.

Joint Programme Risk Management Plan

Risks	Risk Level:	Likelihood:	Impact:	Mitigating measures	Responsible Org./ Person
	(Likelihood x Impact)	Certain - 5	Essential - 5		
		Likely - 4	Major - 4		
	High (8-10)	Possible - 3	Moderate - 3		
	Medium (5-7)	Unlikely - 2	Minor - 2		
	Low (1-4)	Rare - 1	Insignificant - 1		
Contextual risks					
Destabilization of the socio-economic and political situation in the country, slowing down the implementation of the JP.	8	2	4	The PUNOs and UNRCO will closely monitor the socio-economic and political situation in the country, maintaining neutrality and impartiality and offering to act as mediator to solve the situation. The JP is designed with strong high-level GoA ownership and buy-in and will be embedded in the UNSDCF 2021-2025. Moreover, the sequence of specific activities can be adjusted to minimize JP delays.	UNRCO: country economist babken.dergrigorian@un.org with support from UNCT, particularly UNDP, UNICEF and WFP
COVID-19 outbreak continuation impacting GoA planning and budgeting processes with prolonged state of emergency, resulting in boosted expenditures on health, social protection and food security to address immediate shocks	9	3	3	The UNRCO will be maintain constant communication with the Commander, high-level Government officials and the PUNOs through established channels, as well as the DMCT to maintain contingency and business continuity through established procedures to ensure continuity of work and disruption. Moreover, considering that food security and human capital are key areas addressed by the JP (SDGs 1, 2, 3, 4, 5), and are areas of direct interest of the GoA's COVID-19 response, the PUNOs will work on aligning GoA priorities and decisions for short-term response with long-term and results-based programming and budgeting in those areas.	UNRCO: country economist babken.dergrigorian@un.org with support from UNCT, particularly UNDP, UNICEF and WFP

Risks	Risk Level:	Likelihood:	Impact:	Mitigating measures	Responsible Org./Person
Escalation of conflict in the region and other shocks disrupting JP implementation by diverting away both attention and resources	5	1	5	The PUNOs together with the UNRCO will maintain contingency and business continuity plans to minimize disruption, as per agency specific guidelines, as well as through the DMCT.	UNRCO: country economist babken.dergrigorian@un.org UNDP: Peace and Conflict advisor: naira.sultanyan@undp.org with support from UNCT, particularly UNICEF and WFP
Programmatic risks					
Lack of funding for the successful scale-up of developed tools and methodologies as well as lack of GoA capacity and buy-in for INFF roadmap implementation	9	3	3	The JP team will work closely with the GoA and explore, forge and deepen partnerships with various stakeholders (e.g. donor community, IFIs/DFIs, private sector, diaspora, etc.) to mobilize, target and use multiple sources of public and private funding for successful implementation and scale-up of all JP interventions	UNDP: Team Leader for Innovation, Acceleration & SDG Finance tatevik.koloyan@undp.org and the to be appointed JP project manager. Each PUNO will also be responsible for sector specific monitoring and reporting.
Government changes impacting continuity of planning and budgeting for SDGs	9	3	3	The PUNOs and the UNRCO will use structured venues for project implementation to minimize the possible negative effects of government staff changes on the pace and quality of JP implementation. These venues would include the National SDG Council, JP Steering Committee, Donor Coordination Groups and UNSDCF. Moreover, many staff will be involved in capacity development to counteract potential turnover. Regular monitoring of the situation, as well as constant communication with GoA counterparts will be pursued.	UNRCO: country economist babken.dergrigorian@un.org , UNDP: Team Leader for Innovation, Acceleration & SDG Finance tatevik.koloyan@undp.org and the to be appointed JP project manager.

Risks	Risk Level:	Likelihood:	Impact:	Mitigating measures	Responsible Org./Person
Uneven or a non-holistic approach to SDG prioritization/ Government policy harmonization	6	2	3	The UNRCO and PUNOs have extensively consulted with the Government, including the DPM's office and Ministries of Finance and Economy, ensuring buy-in to the policy harmonization, budgeting and prioritization process. Moreover, the National Council on Sustainable Development has been formed per UN joint suggestions, thus paving the way for full SDG nationalization. Finally, the cross-sectoral involvement of PUNOs will enable harmonization in multiple sectors, including embodiment of gender equality and other LNOB considerations.	UNRCO: country economist babken.dergrigorian@un.org UNDP: SDG Liaison officer louise.skarvall@undp.org with support from the National SDG Task Force, particularly UNICEF and WFP
Low interest by donors and the private sector in SDG-aligned programming	4	2	2	The UNRCO and PUNOs will use all donor coordination venues, as well as working groups (e.g. on PFM or PAR) to exchange information and advocate for joint action for SDG-aligned budgeting and programming. Moreover, through various programmatic initiatives targeting the private sector, the JP will increase the awareness of the business opportunities that the SDGs and impact investment present, thus creating buy-in and ownership for the 2030 Agenda.	UNRCO: country economist babken.dergrigorian@un.org UNDP: SDG Liaison officer louise.skarvall@undp.org with support from UNCT, particularly UNICEF and WFP
Limited availability and disaggregation of financial and budgetary data, including by gender and age	6	3	2	The PUNOs will work with the Ministry of Finance, line Ministries and the ArmStat to obtain available SDG and budgetary data, disaggregated by gender, age etc. for better and more informed SDG-alignment of budgetary programmes and sub-programmes, as well as comprehensive SDG tagging/coding. The potential lack of budgetary data will be avoided through data generation, development of innovative data collection methods, or by using assumptions and weights, wherever applicable (within acceptable error intervals).	UNDP, UNICEF and WFP, under the overall leadership of the to be appointed JP project manager and with data collection and analysis support from the Armenia national SDG Innovation Lab tigran.tshorokhyan@undp.org
Institutional risks					

Risks	Risk Level:	Likelihood:	Impact:	Mitigating measures	Responsible Org./Person
Internal GoA resistance to adjust financial policies and procedures towards achievement of SDGs, gender equality and LNOB	6	2	3	The PUNOs, under the leadership of the UNRCO, will support the GoA through the National SDG Council and line Ministries during the nationalization of the SDGs and the development of the national development and sectoral strategies to achieve full integration of the Agenda 2030 with focus on gender equality and LNOB. Existing coordination and cooperation frameworks with the highest level of the GoA, including the JP Steering Committee, will be utilized. Moreover, the PUNOs will develop SDG-aligned methodologies, tools and financial frameworks that will facilitate the process of linking policies and budgets. Capacity development and on-the-job technical assistance will be provided to involved ministries and technical staff for better ownership and more informed implementation.	UNDP: to be appointed JP project manager, with support from UNRCO, UNCT, UNICEF and WFP
Varying level of knowledge and capacity to absorb SDG-aligned methodologies and approaches for gender- and child-sensitive programming and programme budgeting and planning	6	3	2	The PUNOs together with the UNRCO will work closely with DPMs' office, all relevant line Ministers and other government personnel to build sufficient capacity and knowledge to successfully implement developed tools, methodologies and approaches to operationalize SDG aligned policies and budgets, with focus on gender equality and LNOB.	UNDP: to be appointed JP project manager UNICEF: Armenuhi Hovakimyan ahovakimyan@unicef.org with support from UNRCO and WFP
JP implementation is delayed due to constraints with PUNOs	3	1	3	The PUNOs have previously implemented joint projects and coordination structures have been designed for JP implementation, including inter-linked outputs and activities. Considering the integrated nature of the JP, the PUNOs will have a core group of focal points for the JP delivery, coordinated by a joint Project Coordinator to ensure linkages, synergies and timely	UNRCO: country economist babken.dergrigorian@un.org , UNDP: Team Leader for Innovation, Acceleration & SDG Finance tatevik.koloyan@undp.org and the to be appointed JP project manager

Risks	Risk Level:	Likelihood:	Impact:	Mitigating measures	Responsible Org./Person
				implementation. Regular coordination and monitoring will also be undertaken by the UNRCO.	
Fiduciary risks					
Financial mismanagement of the JP by UN implementing agencies or contractors leading to sub-optimal achievement of results	3	1	3	The JP Steering Committee will regularly meet every two quarters to review the implementation of activities and management of financial expenditures. Moreover, PUNO rules and regulations will be used for contracting purposes (e.g. procurement of services and hiring of individual contractors), which go through a competitive selection process, deliverable-based payments and close monitoring and quality control. In case of transfer of funds to third parties, UN Harmonized Approach to Cash Transfers (HACT) will be used, which is complemented by a whole set of quality assurance activities, depending on transfer size.	UNRCO: country economist babken.dergrigorian@un.org , UNDP: Team Leader for Innovation, Acceleration & SDG Finance tatevik.koloyan@undp.org , the to be appointed JP project manager as well as UNICEF and WFP senior management, in partnership with GoA, line Ministries and partners



**DEPUTY PRIME MINISTER
OF THE REPUBLIC OF ARMENIA**

Republic Square, Government House 1
0010 Yerevan, Republic of Armenia

« 13 » 03 2020

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Endorsement Letter

Attn: United Nations Resident Coordinator in Armenia

Re: UN Armenia's Proposal Submission to the Joint SDG Fund's 1st Call on SDG Financing

Dear Mr. Shombi Sharp,

It is my great pleasure to fully endorse the proposal by the UN Country Office in Armenia, entitled "Making Finance Work for Transformative Change in Armenia" for submission to the Joint SDG Fund's 1st call for SDG Financing.

As our Government embarks on an ambitious reforms agenda, we are guided by a long-term vision of national transformation that is in line with much of the SDG agenda, especially with regards to areas such as human capital development, justice and democracy, resilient infrastructure, inclusive economic development, environmental protection, etc. As such, the components in the Joint Fund Proposal come at an opportune time and provide strategic support to our national planning process. Through the development of an integrated financial framework, component one will assist in creating linkages between our reform-oriented sectorial strategies and our national development strategy with their budgeting. Building on this integrated framework, component two will catalyze new and strategic investment opportunities through an innovative financing facility.

Along with the development of over two dozen sectoral strategies by line ministries and state agencies, we are currently designing a comprehensive and overarching national development strategy that will serve as our primary policymaking framework for the foreseeable future. We consider it the Armenia's Transformation Strategy which has 16 mega-goals that embrace the SDGs at their core and capture our long-term vision of national transformation.

With the relaunch of our SDG nationalization process, our aim is to adopt the Armenian Transformation Strategy as our national SDG framework and operationalize its implementation at all levels of planning and policymaking. With the support of the Joint Fund, we will embark on a recalibration of our budgeting and financing processes towards an SDG-aligned, integrated framework that harmonizes development finance streams and creates strategic new opportunities for private investments aimed at accelerating our achievement of the 2030 Agenda.

Sincerely,



Mher Grigoryan
Deputy Prime Minister of the Republic of Armenia