



CELEBRATING TWENTY YEARS  
GLOBAL ENVIRONMENT FACILITY  
INVESTING IN OUR PLANET

**GEF 5**  
**“National Portfolio Formulation Exercise”**  
**Ministry of Nature Protection**  
**of the Republic of Armenia**  
**2011**

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## Introduction

Giving importance to further enhancement of cooperation with Global Environment Facility (GEF) within 2011-2015, the Republic of Armenia submits the "National Portfolio Formulation Exercise" document that includes discussions on the development of the "National Portfolio Formulation Exercise" document, as well as the list of priority project proposals for funding under GEF-5.

The co-operation between the Republic of Armenia (RA) and GEF has started since 1991.

During the past years Armenia has received around 22 million USD assistance through GEF to implement national projects in GEF focal areas. The implemented projects contributed to the improvement of the system of protected areas in Armenia, capacity development to mitigate climate change, including promotion of energy efficiency and renewable energy, mainstreaming of the environmental concerns in agriculture sector and improvement of hazardous waste management. Armenia was also actively involved in the regional projects funded by GEF.

The environmental regulatory framework of Armenia is based on the national legislation and international environmental conventions ratified by Armenia. Cooperation with the GEF is to assist the Government of Armenia to fulfill its obligations under the UN conventions on Climate Change, Biodiversity Conservation, Protection of the Ozone Layer, Persistent Organic Pollutants and to Combat Desertification.

The "National Board for the Cooperation with Global Environment Facility" was established by the Decree of Prime Minister of RA N322- Ն on May 6, 2010 to coordinate the cooperation between RA and GEF. The Board includes: representatives of RA Ministry of Nature Protection, Ministry of Economy, Ministry of Finance, Ministry of Health, Ministry of Energy and Natural Resources, Focal Points of relevant conventions, academic institutions, NGOs. The GEF Operational and Political focal point - Minister of Nature Protection coordinates the activities of the National Board.

Prime Minister also approved the procedure of the National Board. The main objective of the National Board is to identify project proposals for submission to the GEF in cooperation with national stakeholders in line with national priorities and relevant to the objectives of the conventions. They should be first submitted to the GEF National Focal Point to submit them later to the GEF Secretariat.

The discussions on and development of "National Portfolio Formulation Exercise" document were held and implemented within "GEF National board" created by the decree of RA Prime Minister by involving interested parties. As a result, the members of "GEF national board", NGOs (the association "For Sustainable Human Development"; "Environmental Protection Advocacy Center"; "Biodiversity and Landscape Conservation Union"), GEF Implementing Agencies in Armenia (WB, UNDP, FAO, UNIDO / there are four GEF Implementing Agencies in Armenia/), academic sector ("Institute of Botany SNCO of the NAS; "Center for Ecological and Noosphere Studies" SNCO of the NAS) and other invited professionals participated in preparatory activities of "National Portfolio Formulation Exercise" document to be submitted to the GEF Secretariat. The activities were conducted under the coordination of the Minister of Nature Protection of RA.

The consultations with interested parties were organized considering the GEF target areas and requirements, as well as national environmental strategies. The identified national priorities were based on the objectives of the relevant global conventions taking into account the commitments of Armenia under the conventions.

The identified national needs were discussed in the context of global significance. The interested parties were provided with detailed information on GEF-5, scheme of Transparent Allocation of Resources (STAR) approach, conventions objectives and priority directions under the GEF.

Before the joint discussion regarding the activities of National Portfolio Formulation Exercise, the national experts were contributed by the Ministry of Nature Protection of RA, GEF council alternate member in Armenia. It was followed by the consultations in the corresponding ministries, before presenting to the National Board. As a result major interested parties in the country have been informed about the GEF 5 funding opportunities and priority directions as well as agreed on common principles of the project proposals identification and formulation:

- Compliance with GEF priorities;
- Importance given by the relevant sectors' national authorized agency;
- Ensured co-financing;
- Sustainability of outcomes in long-term perspective;
- Cross-cutting nature, synergism between outcomes;
- Capacity development in the country;
- Compliance with the directions outlined in the "GEF National Portfolio" document.

The GEF Secretariat representative mission and participation in the consultations significantly contributed to the increased awareness on GEF mandate, and operational procedures, as well as facilitated the consultation process and dialogue with the interested parties. The national partners received also information on GEF implementing agencies, focal areas, multiple and cross-cutting focal areas, as well as capacity building projects, small grants programs. During the consulting seminar possibilities were given to GEF implementing agencies to present their mandates and cooperation possibilities. The participants of the seminar were informed on new operational procedures initiated by GEF on provision of resources directly to the countries through national agency which will have grant agreement with GEF.

## **Environmental challenges of the Republic of Armenia**

**Challenge N 1:** The ecosystems and economy of Armenia are vulnerable to climate change impacts. The Republic of Armenia doesn't have quantitative obligations for abatement of greenhouse gas emissions under UNFCCC, however supporting Convention objectives, it has associated with the "Copenhagen Accords" and should ensure activities on energy efficiency, promote renewable energy, as well as reduce GHG emissions from transport and waste sector and enhance sinks.

**Challenge N 2:** The continuous desertification and land degradation processes negatively impact on livelihoods, ecosystems and food security. Ensure the implementation of relevant activities within the UNCCD framework.

**Challenge N 3:** Ensure policy improvement for biodiversity conservation and sustainable use, as well as mitigation of negative anthropogenic impact on ecosystems.

**Challenge N 4:** Promote the conservation and sustainable use of agro- biodiversity to reduce anthropogenic impact on natural resources, ecosystems, protected areas, forests and pastures.

**Challenge N 5:** Ensure conservation and sustainable management of water resources, including the restoration of Lake Sevan ecosystem. Develop regional cooperation within the framework of transboundary water resources management.

**Challenge N 6:** Ensure activities to phase out and replace the ozone depleting substances; implement activities within the framework of Montreal Protocol.

**Challenge N 7:** Create sufficient conditions to reduce waste accumulation, re-use/recycle waste as secondary raw material, implement waste treatment and create conditions to prevent impact of hazardous wastes and meet the requirements within Stockholm convention on Persistent Organic Pollutants (POPs).

**Challenge N 8:** Suspension of the use of persistent organic pollutants, reduction /disposal of emissions, treatment / disposal of wastes containing persistent organic pollutants with an environmentally safe method to prevent their harmful impact on human health and environment

**Challenge N 9:** Ensure improvement of legislative and regulatory framework to reduce the impacts of mining sector on biodiversity and environment.

**Challenge N 10:** Ensure qualified jobs, train professional qualified workforce.

The priorities recognized by national partners under UN environmental conventions and measures presented in below chapters are identified considering funding opportunities in the framework of GEF-5 STAR allocation and other GEF administered funds as well.

## **The Convention on Biological Diversity**

### **Convention, international obligations, strategy and objectives at the national level**

The Republic of Armenia is building its policy in the biodiversity conservation area through environmental strategy of the country and commitments under UNCBD. The recognized objective guides the main activities in that sector:

- Ensure sustainability of ecosystems through biodiversity conservation, restoration and conservation of threatened species, establishment of new protected areas, capacity development at the national and local levels, as well as by leading individual and institutional capacities to effective management of the relevant field;
- Reduce negative impacts on biodiversity through sustainable development in the economy and solutions given to socio-economic problems;
- Ensure the access to genetic resources and equal opportunities for benefit sharing;
- Plan and implement the commitments of the country under UNCBD.

Armenia is implementing both *in situ* and *ex situ* biodiversity conservation with a special role given to the Specially Protected Nature Areas (SPNAs).

Currently almost all the ecosystems of Armenia are subject to anthropogenic impact, as a result of which hundreds of flora and fauna species are endangered. The main biodiversity threats are directly connected to, or mediated by anthropogenic factors that mainly cause irreversible changes to ecosystems and lead to reduction of the population and increase in number of endangered species.

A number of projects of strategic importance were developed and partially implemented, such as Development of Biodiversity Strategy and Action Plan, SPNAs Development Strategy and Action Plan, as well as projects aimed at implementation of the commitments of Armenia under international agreements. The inventory of biodiversity and mapping of SPNAs is conducted; the management plans of "Sevan" and "Dilijan" National Parks, as well as the management plan of "Khosrov Forest" State Reserve were developed and approved by the Government of RA. The development management plans of other SPNAs are in the process. Activities for monitoring system introduction and establishment of new SPNAs are being implemented.

The above mentioned activities were accompanied with improvement of legislative and regulatory framework related to biodiversity conservation and use. However a number of sub-legislative acts are still needed to standardize the use of bio-resources, decide on norms and limits, define the standards for establishment of SPNAs, as well as creation of the principles to establish an ecological network and ensure enforcement of existing legislation in full scope.

The below listed project directions related to biodiversity conservation are of actual importance for the Republic of Armenia which:

- Improve livelihood of the population by agro-biodiversity conservation and sustainable use;
- Develop a national plan on how to create ecological networks to improve *in-situ* conservation of biodiversity.
- Review and update the Biodiversity Strategy and National Action Plan of Armenia according to the new strategic plan of the UNCBD adopted in Nagoya and create preconditions for signing Nagoya Protocol on Access to Genetic Resources and Fair and Equitable Sharing of Benefits through recognition and assessment of human, technical, and financial capacity needs, as well as improvement of national legislation.

## **The United Nations Framework Convention on Climate Change**

### **Convention, international obligations, strategy and objectives at the national level**

The position of the Republic of Armenia to respond to climate change issues derives from its developing country status under the Convention. The overall goal of the GEF is to support the developing countries, including the Republic of Armenia to mitigate the climate change impacts and develop low carbon production economies.

As a non-Annex I Party to the UNFCCC, Armenia does not have quantitative commitments for reducing GHG emissions under the Climate Change Convention and the Kyoto Protocol. At the same time the country, remaining devoted to the international efforts to achieve the goal of the Convention, officially announced its readiness to participate in international processes for confronting climate change.

The main objective of the Convention is the limitation of GHG emissions; therefore the main measures are targeted to achieve it. The position of the country related to the abatement of GHG emissions is summarized in the statement of Armenia related to association with "Copenhagen Accords" that includes the following directions:

- **Implementation of “The National Program on Energy Saving and Renewable Energy of the Republic of Armenia” (2007, envisaged till 2020);**
  - Increase in energy production based on renewable energy sources,
  - Modernization of thermal power plants,
  - Improvement of energy efficiency in all sectors of the economy,
  - Improvement of energy efficiency in buildings and constructions,
  - Decrease of loss in methane flow in gas transportation and gas delivery systems,
- **In the transport sector:** expansion of electrical transport and increase of natural gas share in motor transport’s fuel;
- **Decrease in methane emissions from solid municipal waste and waste water;**

**Restoration of degraded forests; afforestation and reduction of the volumes of deforestation, sustaining soil CO<sub>2</sub> content and ensuring its increase.**

Republic of Armenia intends to develop and implement Nationally Appropriate Mitigation Actions (NAMA) and the technology transfer needs assessment in that context is considered as important step forward. For that purpose country will apply for enabling activity assistance to GEF.

Considering Yerevan municipality interest to implement the energy efficiency activities in lighting sector, their willingness to co-finance the project and opportunities for building public and private partnership for technology transfer Armenia envisages requesting assistance for implementation of mitigation project on promoting energy efficiency in lighting sector as logical continuation of currently funded GEF mitigation projects in Armenia.

In the context of climate change impacts from current land management practices particular importance must be given to the improvement of the soil carbon conservation. The carbon content conservation in the soil can be developed as indicator of sustainable land management and enforce sustainable land management through development of corresponding regulatory and economic instruments as well as monitoring and reporting system.

It is important to state that Armenia being a landlocked country with fragile mountainous ecosystems is particularly vulnerable to climate change and in that context development and implementation of climate change National Adaptation Programme (NAP) is a priority for the Republic of Armenia. The necessary prerequisites and conditions to implement the mentioned strategy are capacity development for assessment of the climate risks and development of response measures; advocating the mainstreaming of climate change adaptation in policy planning documents; building favorable environment for involvement and constructive cooperation of civil society, private sector, local communities and scientific institutions; development, deployment, transfer and application of climate change sound technologies.

The Third National Communication development is initiated by the Ministry of Nature Protection in 2011, Stocktaking exercise is implemented by UNDP and the project is expected to start in nearest future. Within the framework of the project the country's capacity to identify the climate change adaptation needs will be partly addressed, however it is important to note that there are certain priority areas where the adaptation project ideas are formulated, e.g. to address aridization of climate and predicted reduction of precipitations in the country to promote water saving technologies to ensure food security and resilience of sector that is recognized by the Ministry of Agriculture .Relevant project proposal is endorsed by the GEF Operational and Political Focal Point of Armenia to submit to the SCCF. The problems of the forest sector are complex however the schemes that are currently supposed to be elaborated and applied through REDD-plus incentives can provide certain mitigation of current unsustainable forest management practices. The UNFCCC Focal point in consultation with forest authorities should elaborate the proposal for REDD+ funds.

## **The United Nations Convention to Combat Desertification**

### **Convention, international obligations, strategy and objectives at the national level**

The "National Action Programme to Combat Desertification in Armenia" was developed and approved by the Government of the Republic of Armenia in 2002. The Programme was developed according to the commitments of the country under UNCCD and country needs and determined key strategic directions on how to prevent/mitigate desertification processes.

A number of projects and legal acts were drafted in Armenia under the Convention objectives. There are certain developments in decentralization of land management in Armenia: the state-owned lands, which are within the administrative districts, were passed to the communities free of charge with ownership right. This step encourages the process of decentralization of land management, and clarified responsibilities between different management bodies although this process promotes loans and investment projects in the economy, the sustainable land management and trends of desertification in the country are among priority risks for the countries sustainable development.

The Conventions' 10-year strategy (2008-2018) was adopted during the 8th session of the Conference of Parties of the Convention, according to which 4 strategic and 5 operational objectives are envisaged. Accordingly Republic of Armenia's 10-year strategy national action plan to combat desertification for that decade can be planned according to the following directions:

- Improve the livelihood of population which bears negative impacts from land degradation due to unsustainable use of arable lands and pastures;
- Create corresponding normative framework and introduce best practice examples for mitigation of the impact of mining exploitation on land degradation;
- Improve the sustainable land management practice to ensure carbon conservation and enhancement;
- Ensure the land use according to its designation;
- National capacity building for effective implementation of UNCCD, including

mobilization of resources to implement the Convention through effective cooperation between international and national entities.

- Prepare the National Report under Convention according to the guidance provided by the Convention Secretariat.

The national stakeholders appreciate the positive changes thanks to the provision of GEF financial assistance for the SLM activities which will allow addressing enormous challenges for the sustainable development of the country due to negative trends in land use practices.

## **International waters**

The role of the Republic of Armenia in the field of international (transboundary) waters joint management is important considering that country has implemented the first phase of reforms in water resources management (legislative and structural) sector and launched the 2<sup>nd</sup> phase (decentralization of water resources management). Hence, the regional countries are seriously interested in the involvement of the Republic of Armenia in the projects on international waters.

Although Armenia did not sign the UN Convention on the Protection and Use of Transboundary Watercourses and International Lakes, it is involved in the international cooperation and regional projects.

The transboundary water flows must be managed based on water-ecosystems and their services conservation principles, and the objectives of projects should be selected accordingly. In that context it is necessary to continue dialogue with tributary countries of the transboundary water courses on agreed policy under GEF5 IW SO 3.

The studies should be carried out taking into account also provisions of RIO conventions as well as new developments under that conventions that encourages application of ecosystem approach, and capacity building needs for mitigation of risks.

## **The Stockholm Convention on Persistent Organic Pollutants (POPs)**

### **Convention, international obligations, strategy and objectives at the national level**

The Republic of Armenia has ratified the Stockholm Convention on Persistent Organic Pollutants (POPs) on October 22, 2003 and meets obligations on implementation of provisions set forth in the Convention.

RA law on “Wastes” (2004) was adopted to regulate the waste management sector. It defines the state policy in use of wastes to prevent harmful impact on environment and human health. A number of sub-legislative acts were developed and adopted to ensure the application of the law.

The National Implementation Plan for the Stockholm Convention on Persistent Organic Pollutants (POPs) was implemented with the financial support of Global Environment Facility jointly with UN Industrial Development Organization (UNIDO) to implement the provisions of Stockholm Convention.

As a result of the development of “National Implementation Plan” the following priority activities were fixed / adopted to reveal and prevent the impact of POPs on human health and environment:

- Improvement of the legislative background for regulation of POPs relevant issues;
- Setting up institutional capacities/structures and strengthening the interaction amongst concerned Ministries and Agencies aimed to identify main sources of POPs-related pollution, reduce their releases and eliminate the most hazardous ones, investigate environmental contamination by POPs and take joint actions to prevent their impact on human health;
- Carrying out detailed Inventory on main sources of POPs and POPs-containing wastes;
- Inventory taking on Dioxin/ Furan main sources in industry and other sectors;
- Inventory taking on PCB-containing oils and equipment in energy and industry sectors;
- Providing monitoring of POPs polluted/ contaminated sites, development of screening methods for POPs analyses with the purpose of initial/ preliminary assessment of local contaminations;
- Establishment of the Central Analytical Laboratory on POPs to ensure analyses and control on the environment;
- Replacement of PCB-containing oils and equipment, which are currently exploited at different entities of energy sector and industry of the Republic of Armenia, by PCB-free oils and equipment;
- Elimination of existing obsolete pesticides stockpiles, as well as PCB-containing oils and equipments in a safe environmentally sound manner;
- Implementation of sound/safe technologies, which exclude POPs generation and releases in the environment;
- Arrangement of epidemiological and statistical studies on POPs impact to human health and risk assessment;
- Carrying-out wide information and awareness raising activities on POPs problem to develop and implement an information system embracing issues on prevention of POPs harmful impact, as well as their after-effects for human and environmental health;
- Extending and strengthening international cooperation relevant to POPs management, information exchange of data obtained as a result of R&D (researches, technical design developments), monitoring studies, Best Available Technology (BAT) and Best Environmental Practice (BEP).

## Conventions +

### The Stockholm Convention on Persistent Organic Pollutants (POPs)

#### Update on the National Implementation Plan

With the entry into force of nine new chemicals to the Stockholm Convention, the Republic of Armenia forms its needs to access technical and financial support to implement the new requirements under the Convention.

- Description of new obligations and eventual implications at the national level, e.g. needs to register for exemption;
- Review existing legal and regulatory frameworks, as well as institutional arrangements established at the national level to implement the Stockholm Convention and manage new POPs and contaminated wastes in an environmentally sound manner;
- Identify technical capacity to manage new POPs and contaminated wastes in an environmentally sound manner; including types of alternatives identified at the international level used in products and processes at the national level.
- Identify possible new POPs production, use, stockpiles, wastes as well as disposal and recycling practices at the national level;
- Assess possible challenges and related implications of the presence of new POPs with regards to new obligations under the Convention;
- Formulate management options, including through technical and financial assistance, for the sound management of new POPs and their possible future restriction and elimination.

#### Dioxins/Furans

Releases of Dioxins/Furans in case of low-temperature open waste burning at dumps pose a threat for population of the Republic of Armenia, as periodically occurring spontaneous waste ignition and smoldering result in unintended generation of Dioxins and Furans.

Alongside with the sources of Dioxins/Furans unintended generation (uncontrolled burning of household wastes; forest fires; biomass burning in fields), there are also sources of industrial emissions of these substances: chemical industry; metal manufacturing; mineral production; manufacturing of consumer goods.

The aim of the proposed project is to identify sources of Dioxins/Furans emissions in the Republic of Armenia, to perform quantitative evaluation of releases, to classify them according to priorities with the aim to prevent the emissions of mentioned substances.

#### Activities to Prevent Depletion of the Ozone Layer

Armenia is a mountainous country, and a significant part of its territory is located in the natural conditions of high ultraviolet radiation. In this respect, the ozone layer changes have special importance for the population, fauna and flora of Armenia.

Since 1993 up to now regular measurements of UV radiation from the Sun and the total ozone content in the atmosphere have been implemented in Armenia. The received data is used in the field of health, as well as in specialized studies (climatology, biology, agriculture, etc.); on the 2<sup>nd</sup> of April, 1999, the Republic of Armenia ratified Vienna Convention for the Protection of the Ozone Layer and the Montreal Protocol on

## Substances that Deplete the Ozone Layer.

As a developing country, the Republic of Armenia is included in the activities envisaged by Article 5 of the Montreal Protocol.

GEF finance the countries with economies (2nd Article) in transition to refuse the substances that deplete the ozone layer. The Republic of Armenia has already benefited from this opportunity. At present, within the activities to refuse the substances that deplete the ozone layer, the Republic of Armenia implements projects funded by Montreal Protocol multilateral fund. It is recorded in “National Portfolio Formulation Exercise” document not as a grant funding base from the GEF funds, but as a part of environmental policy.

## Multifocal and Cross-cutting areas, Including:

### 1. Capacity development (within the framework of the RIO conventions)

UN Convention on Biodiversity, UN Convention to Combat Desertification, UN Framework Convention on Climate Change, and Stockholm Convention on Persistent Organic Pollutants (POPs) under the umbrella of GEF contain provisions in principle related to environmental education and awareness raising. All multilateral conventions contain implementation bases, as well as standard provisions for education, approaches for professional/personal and institutional capacity development and public awareness. The activities related to capacity development aimed at the implementation of the provisions of the conventions under the umbrella of the following articles of Rio conventions (UNCBD- Articles 12, 13 ; UNFCCC- Article 6 ; UNCCD- Article 9 ; Stockholm Convention on POPs - Article 10) and GEF, RA law on “Environmental Education of the Population”, “Concept to Create a Comprehensive and Unified National System of Environmental Education and Awareness” ratified by RA Government Protocol Decree N47 of the session held on the 12th of November, 2009, “Program of the Measures (2011-2015) Derived from the Concept to Create a Comprehensive and Unified National System of Environmental Education and Awareness” ratified by RA Government decree N1551 – N on the 25<sup>th</sup> of November, 2010 and other similar documents. Hence, it is needed to reveal gaps, develop environmental education and professional capacity, develop favorable regulatory field for public awareness. The project steps can have the following succession:

- Reveal priorities and issues of environmental education in the system of national education, give importance to the role and significance of environmental education in accordance with the strategic principles and provisions of RIO conventions and UNECE decade on “Education for Sustainable Development”;
- Develop materials that would raise awareness of provisions of the Rio conventions explaining the conventions objectives, prepare guidance for professional training targeted for education sector, CBOs, NGOs, different groups and wide public layers;
- Develop publications and relevant educational materials about conventions for public; draft and publish educational materials for different target groups; prepare guidance to educators, NGOs, and other target groups that represent wider public.
- Structural reforms in environmental education sector and defining new functional roles ensuring cost effectiveness

- Implement selected provisions and approaches from the conventions that require environmental education, environmental awareness, development of professional and institutional capacity, public participation, and ensure them by implementing project activities.
- Review, amend the package of documents prepared and approved at the national level, as well as analyze their correspondence to the provisions of the conventions, design a framework of project activities
- Quality transfer and capacity development

## 2. Forest Sector

Forest sector requires multi focal area approach, as UN conventions give major importance to that ecosystem, therefore, the Republic of Armenia considers appropriate and important to implement a broad afforestation project where all requirements and provisions of the conventions will be taken into account comprehensively. It is appropriate to take the following as the base for project proposal:

- “Optimal reforestation” concept and the approach on how to design it (elaborated under First National Communication under UNFCCC);
- Ecosystem approach based on 12 criteria of UNCBD;
- Approaches based on objectives of Nagoya Protocol under UNCBD;
- Afforestation to prevent land degradation under UNCCD

The indicated multi focal area project will be appropriate to implement on community-owned lands through community or inter-community community involvement ideology.

Study the ways on how to implement the afforestation projects by using Clean Development Mechanism of the Kyoto Protocol.

## 3. Small Grants Program

The GEF Small Grants Programme (SGP) provides grants to community-based and non-governmental organizations for projects in-line with the strategic priorities of the GEF. Critical global environmental issues benefiting from the SGP’s integrated multi-focal support are those addressed by the GEF: biodiversity conservation, climate change, land degradation, degradation of international water bodies, and the use and disposal of harmful chemicals. The SGP provides incremental added value by catalyzing new development models, improving knowledge flows, and informing policy. The SGP has a standing expectation of 1:1 co-financing (50% in cash and 50% in-kind).

The SGP is predicated on the idea that community-driven, stakeholder owned civil society led initiatives that generate local as well as global benefits are among the most effective ways to address global environmental challenges, and this model has repeatedly achieved success. The communities targeted by SGP are often the poorest and most vulnerable, and typically have low levels of personal and institutional capacity to adequately address global environmental problems. Providing support for community-based and civil society

initiatives is an effective and necessary component of comprehensively addressing global environmental problems, and the SGP plays a critical role in channeling this support. SGP is premised on the principle that through the provision of relatively small amounts of funding, local communities can undertake cost effective activities that will make a significant socio-economic difference in their own lives, whilst generating global environmental benefits.

The 5<sup>th</sup> Operational Phase (OP) will be a continuation of the ongoing modality and operational approach. The objectives and expected outcomes of the SGP for OP5 build directly on the GEF's strategic priorities for GEF-5. While the SGP is consistent with GEF strategies for each focal area, the SGP is a strategic programme addressing environmental issues in an integrated manner.

Armenia became SGP participating country in 2007. The programme was officially launched on November 1, 2008. During 2009 the National Steering Committee was formed and the Country Programme Strategy was developed and approved.

Within the OP-4 Armenia was allocated US\$350,000, which was committed in 10 grant projects. Against US\$350,000 committed ~US\$785,000 in cash and ~US\$153,000 in-kind (~US\$938,000) was raised by the country programme. The country programme received annual UNDP TRAC allocation in the amount of US\$ 50,000 for 2009-2011.

During the OP-4 the SGP-Armenia has registered significant and concrete achievements in improvement of local people's well-being and livelihoods, community empowerment and addressing global environmental benefits.

By first requesting and subsequently supporting implementation of the SGP, Armenia demonstrated that the SGP is a country-driven and nationally owned initiative supporting community-level and civil society managed environmental projects. In addition to the US\$ 800,000 core funds, for OP-5 the amount of US\$ 400,000 has been drawn from the national STAR allocations. The endorsed STAR amount is allocated from Climate Change and Land Degradation focal areas in equal proportion. In case where STAR resources will not be utilized by other projects, they will be allocated to SGP at the later stage of GEF5.

## **Allocations for Each Focal Area within GEF-5 System for Transparent Allocation of Resources (STAR)**

The following amount of allocation according to focal areas is available for the Republic of Armenia within GEF-5:

### **1. Biodiversity - \$1.50 million US dollars**

The projects within the framework of the Convention on Biological Diversity aim at improving living conditions in rural communities through agro-biodiversity conservation and use, as well as establishing national ecological network of Protected Areas.

### **2. Climate Change - \$2.35 million US dollars**

The funds envisaged for the projects within the United Nations Framework Convention on Climate Change aim at increasing energy efficiency in lighting systems. At the same time, the below mentioned 3<sup>rd</sup> project proposal aims at improving legislative and institutional capacities for sustainable land and forest management and enhancing carbon stocks. For that purpose it is appropriate to combine the funds under climate change and land degradation focal areas of

STAR allocations to implement the mentioned project with the help of REDD-plus incentive funding.

### 3. Land degradation - \$4.12 million US dollars

The project activities envisaged under the United Nations Convention to Combat Desertification aim at preventing land degradation caused by climate change and anthropogenic impact, as well as promoting agro-economy and sustainable use of community resources.

\$200,000 US dollars from climate change and \$ 200,000 US dollars from land degradation focal areas of the above mentioned amounts are already allocated to "Small Grants Program". The Republic of Armenia has \$7.57 million US dollars left from STAR to allocate for the below presented projects.

## List of Projects to be Submitted for GEF-5 Funding under STAR Allocations

N	Proposed project titles	Indicative amount, mln. USD	Articles of the Conventions	List of GEF implementing agencies
<b>UN CCD FA</b>				
1	Sustainable land management and land conservation issues in the mining exploitation	0.9	UNCCD - Article 4,5,8	To be identified later
2	Community agricultural resources management and competitiveness project	1.5	UNCCD - Article 2, 4, 5	WB
3	Improve legislative and institutional capacities for sustainable land and forest management and enhance carbon stocks in Armenia	2.02	UNCCD; UNFCCC- Article 2, 4, 8, 18	UNDP
<b>UNFCCC FA</b>				
4	Increase energy efficiency in lighting systems of Armenia	1.65	UNFCCC- Article 4, point 1(c)	UNDP
<b>UNCBD FA</b>				
5	Improvement of living conditions in rural communities of Armenia through agro-biodiversity conservation and use	1.0	UNCBD- Article 15 UNCCD - Article 2, 4, 5,8	UNEP

6	Establishment of national ecological network of protected areas	0.5	UNCBD - Article 8	To be identified later
<b>SGP (multifocal)</b>				
7	Small Grants Program (SGP)	400.000 (the funds that are envisaged for the other projects and won't be used will be added to the mentioned amount envisaged for SGP)	UNFCCC, UNCBD, UNCCD	UNOPS

## Regional projects

GEF welcomes and encourages regional cooperation that is aimed at the solution of global environmental problems within the framework of the UN conventions. In that sense there are already formed frameworks of regional cooperation in the biodiversity, water resources and climate change sectors.

Preliminary discussions for 2011-2016 were carried out at the level of the experts of neighboring countries and GEF agencies.

Project ideas relates to the following areas:

- a) Regional cooperation particularly related to the management of climate change risks within the framework of transboundary water resources protection
- b) Creation/establishment of ecological corridors for the biodiversity conservation in transboundary territories using joint criteria.
- c) Development of water basin management plans at the national level for the regional countries.
- d) Implementation of joint monitoring of transboundary water resources quality, development and implementation of water resources pollution prevention measures within regional framework.

## **Description of expected outcomes within GEF-5**

As a result of the implementation of the planned projects under GEF-5 assistance in the Republic of Armenia the following outcomes can be expected:

- Regarding biodiversity the dangers that threaten biodiversity as a result of mining exploitation will be mitigated to the extent possible, the relations between mining and biodiversity conservation will be better regulated, livelihood will be improved in rural communities by promoting agro – biodiversity, and pressure on protected areas will be reduced.
- The outcomes of the implemented projects related to climate change will contribute to the reduction of GHG emissions, increase of energy efficiency and improvement of management efficiency of agricultural resources by the communities.
- Land management efficiency will contribute to the prevention of unsustainable land use and land degradation. The establishment of the mechanism for mitigation of the negative impacts of mining exploitation, as well as the mechanism for adaptation to climate change and efficient community natural resources management mechanism will create favorable conditions to prevent land degradation and implement effective activities for rehabilitation of degraded lands.
- The territory of the Republic of Armenia will get rid of POPs that still remained since Soviet Union period of time.

## Annex 1

### List of Projects Aimed at Capacity Building and Reporting under RIO Conventions

N	Proposed project title	Project Type	Indicative amount, USD	Articles of the Conventions	List of GEF implementing agencies
1	Environmental regulation for prevention of Dioxins / Furans releases at open waste burning and other sources	Enabling activity	Up to 1 mln.	Stockholm Convention on POPs - Article 5	UNIDO
2	Stockholm convention National Implementation Plan (NIP) up-date under requirements on new POPs	Enabling activities	250,000	Stockholm Convention on POPs Article 7	National agency
3	Treatment and Disposal of POPs		5 mln.	Stockholm Convention on POPs Article 6 point d (ii)	UNDP
4	Environmental education and awareness raising for Rio Conventions	cross-cutting	500,000	Articles 12, 13/CBD / Article 6/UNFCCC / Article 19/UNC CD / Article 10 Stockholm Convention on ( POPs)	UNDP
5	Third National Communication Preparation under UNFCCC	Enabling activities	500,000	UNFCCC Article 4.1, 12	National agency
6	Climate change technology needs assessment in priority areas	Enabling activity	100,000	UNFCCC- Article 4, point 5	UNEP
7	Develop National biodiversity strategy and action plans and biosafety reports under the CBD and update National Action Program (NAP) with the UNCBD 10-Year Strategy	Enabling activities	500,000	UNCBD- Article 26	National agency

8	Develop National Report under the UNCCD and update of the National Action Program (NAP) with the UNCCD 10-Year Strategy	Enabling activities	150,000	UNCCD- Article 26 UNCCD- Articles 4, 5, 10, 9, 19	National agency
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