

## UNITED NATIONS DEVELOPMENT PROGRAMME

**PROJECT DOCUMENT****Armenia****Project Title:** Accelerator#5. National Platform for Economic Empowerment of Women**Project Number:** 00136963/ 00127665**Implementing Partner:** UNDP**Implementation modality:** DIM**Start Date:** 23 December 2021 **End Date:** 31 December 2022 **PAC Meeting date:** 17 December 2021**Brief Description**

Women's economic participation including through increased productivity employment and entrepreneurship is crucial in achieving the Sustainable Development Goals (SDGs). Armenia's women's labor force participation is lower than that of men with just over half (51.4%) of women of working age participating in the labor force, compared with 70.6% of men. Deeply rooted structural gender inequalities in Armenia, have resulted in women entrepreneurs (WE) unequal access to infrastructure, productive resources and procurement opportunities, largely limiting their entrepreneurial potential. The development of women entrepreneurship and productive employability in Armenia faces ecosystem-level compound challenges which require complex and non-traditional (innovative) support mechanisms to boost women's entrepreneurial potential and economic empowerment in Armenia.

The overall project goal is: **Women benefit from human-centric, SDG-aligned ecosystem level innovative support mechanism established to boost women entrepreneurship and employability in areas of increased productivity labor in Armenia.**

To achieve this goal, the Project will focus on the following **outcome** and related **components**:

**Project Outcome:** Women are more resilient and self-reliant through innovative ecosystem-level support mechanisms to overcome compound challenges in employability and entrepreneurship.

**Component 1.** An accelerator (ecosystem-level support mechanism) for women entrepreneurship and employability in increased productivity labor is established-Accelerator#5. National Platform for Economic Empowerment of Women (see the model below)

**Component 2.** Women, on an experimental basis, benefit from the complex employability and entrepreneurship support mechanism including business and digital skills and financial assistance to access/adapt to changing markets in the COVID-19 context.

The intervention logic hinges on strong partnership and synergized efforts between UNDP, the RA Ministry of Labor and Social Affairs, the RA Ministry of Economy. The underpinned principles of the project are women empowerment and inclusive economic growth.

**2021-2025 UNCSD F OUTCOME 7:** People benefit from evidence-based, human-centric and Sustainable Development Goals-aligned policies supported by diversified sources of financing, innovation, and partnerships for sustainable development for all.

**2021-2025 CPD Output 4.1.** New mechanism and partnerships established to support impact-driven innovation ecosystems for the Goals.

**SDGs:** 4, 5, 8

**Gender marker:** GEN 3, gender equality as a principal objective

<b>Total resources required:</b>	USD 350,925	
<b>Total resources allocated:</b>	<b>UNDP TRAC:</b>	USD 30,000
	<b>Donor:</b>	-
	<b>Government:</b>	USD 320,925
	<b>Parallel Co-Financing:</b>	USD 100,000

Agreed by (signature):

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Natia Natsvlishvili  
 Resident Representative  
 UNDP Armenia

Date: 23-Dec-2021

## I. DEVELOPMENT CHALLENGE

### CONTEXT

Women's economic participation including through increased productivity employment and entrepreneurship is crucial in achieving the Sustainable Development Goals (SDGs).<sup>1</sup> If men and women played an identical role in labour markets, as much as USD 28 trillion, or 26%, could be added to the global GDP by 2015<sup>2</sup>. Entrepreneurship is recognized as a key element for women's economic empowerment in the 1995 Beijing Platform for Action, the 1995 World Summit for Social Development, and the United Nations General Assembly resolution 67/202.<sup>3</sup> It is estimated that formally registered women-owned MSMEs make approximately one third of all formal MSMEs globally.<sup>4</sup> However, gender gaps in women's labor force participation and entrepreneurship are quite large, vary significantly across countries, limit women's economic potential and are associated with large output losses at the macroeconomic level.<sup>5</sup>

Armenia is the 4th out of 50 countries participating in the Global Entrepreneurship Monitor (GEM) and the leader among Eastern European region with the share of population who agreed to the statements on "starting a business is a desirable career choice" (87,2 percent female and 85 percent male).<sup>6</sup> Furthermore, the GEM population survey indicates that about 54 percent women believe that it is easy (versus 45 percent men) and are more fearless than men to start a business.<sup>7</sup> Meanwhile, The World Economic Forum (WEF)'s 2018 Global Gender Gap Index (GGGI) ranked Armenia 98th out of 149 countries<sup>8</sup>. **Meanwhile, Armenia's women's labor force participation is lower than that of men**, with just over half (51.4%) of women of working age participating in the labor force, compared with 70.6% of men. Women are more likely to work in part-time positions than men (34% vs. 18%). Unemployment is high among young women (aged 15–24) at 45%, compared with 33.3% of men in the same age group. Occupational stereotypes are limiting women's choices, with more than 60% of women working in only three sectors: agriculture, education, and health. These fields tend to have lower salaries.<sup>9</sup> **According to the 2021 assessment of the RA Ministry of Labor and Social Affairs (MLSA), unemployed women are several times more inclined to participate in employment programs.** At the same time, the existing state employment programs do not and cannot have a significant impact on reducing the unemployment due to their low funding, more social instead of economic orientation. **According to the MLSA the existing state employment programs need to increase both funding and coverage, diversify their target groups and integration with the social security system, implement program monitoring and introduce a new evaluation system.**

**Deeply rooted structural gender inequalities in Armenia, have resulted in women entrepreneurs (WE) unequal access to infrastructure, productive resources and procurement opportunities, largely limiting their entrepreneurial potential.**<sup>10</sup> These inequalities have been further exacerbated by the COVID-19 pandemic. Early estimates of the World Bank ('Gender implications of the COVID-19 outbreak in Armenia' showed that, depending on the percentage of income loss, up to 27,000 women and girls could fall into poverty with up to 73,000 women moving to a lower welfare group in Armenia.

**Women entrepreneurs in Armenia are disproportionately represented at the micro, small, medium and large levels** (see Figure 1).<sup>11</sup> There are about 17,000 formally registered women-led/owned enterprises constituting only about 33 percent of all total registered enterprises. Women-led/owned enterprises are predominantly micro and small (about 86 percent of total women-led/owned enterprises in the country), and there are about three times less women-led/owned large enterprises than male-led/owned. Furthermore, there are much less women-led/owned limited liability companies (20,1 percent in contrast to 41,6 percent for men-led/owned enterprises) as most of the women led/owned enterprises are sole proprietorships.<sup>12</sup>

<sup>1</sup> <https://sdgs.un.org/topics/capacity-development/msmes>

<sup>2</sup> UN WOMEN. (2021). Economic Empowerment of Women in brief. [https://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2013/12/un%20women\\_ee-thematic-brief\\_us-web%20pdf.pdf?la=en](https://www.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2013/12/un%20women_ee-thematic-brief_us-web%20pdf.pdf?la=en)

<sup>3</sup> <https://undocs.org/en/A/RES/67/202>

<sup>4</sup> IFC Enterprise Finance Gap Database <https://www.smeffinanceforum.org/data-sites/msme-finance-gap>

<sup>5</sup> Cuberes, D., & Teignier, M. (2016). Aggregate effects of gender gaps in the labor market: A quantitative estimate. Journal of Human Capital, 10(1), 1–32

<sup>6</sup> America CJSC. (2020). Global Entrepreneurship Monitor: Armenia National Report 2019/2020. <https://www.gemconsortium.org/file/open?fileId=50511>

<sup>7</sup> America CJSC. (2020). Global Entrepreneurship Monitor: Armenia National Report 2019/2020. <https://www.gemconsortium.org/file/open?fileId=50511>

<sup>8</sup> World Economic Forum. The Global Gender Gap Report, 2018

<sup>9</sup> ADB. (2019). Armenia Country Gender Assessment. <https://www.adb.org/sites/default/files/institutional-document/546716/armenia-country-gender-assessment-2019.pdf>

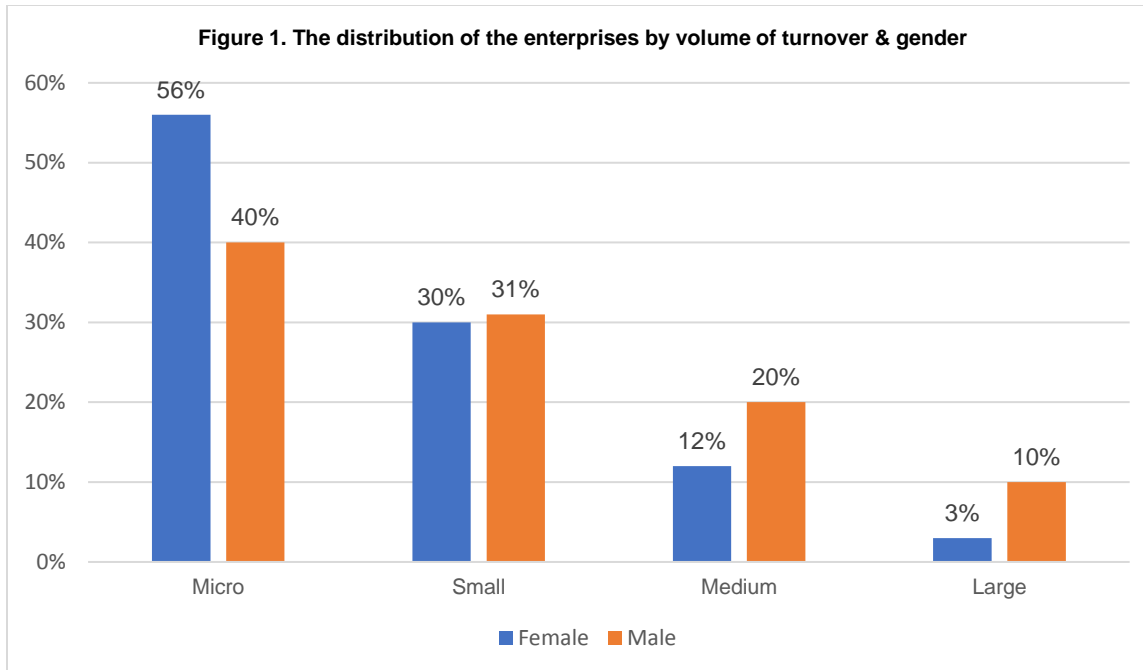
<sup>10</sup> America CJSC. (2020). Global Entrepreneurship Monitor: Armenia National Report 2019/2020. <https://www.gemconsortium.org/file/open?fileId=50511>

<sup>11</sup> IFC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

[https://www.ifc.org/wps/wcm/connect/fcee49ac-5516-4c6f-821b-541555cb36ba/WE\\_Diagnostic\\_Report\\_Eng.pdf?MOD=AJPERES&CID=nxF1z5j&fbclid=IwAR3koWiUaAmxhZtF6LMuCyafCSK3Wd-g53qWvQRvK3N9\\_vS1bWQA1e\\_YEDw](https://www.ifc.org/wps/wcm/connect/fcee49ac-5516-4c6f-821b-541555cb36ba/WE_Diagnostic_Report_Eng.pdf?MOD=AJPERES&CID=nxF1z5j&fbclid=IwAR3koWiUaAmxhZtF6LMuCyafCSK3Wd-g53qWvQRvK3N9_vS1bWQA1e_YEDw)

<sup>12</sup> IFC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

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**Women in Armenia tend to operate less dynamic businesses than man and often in non-capital intensive sectors.** This lowers women's potential for generating a high and sustainable income.<sup>13</sup> Around 95 percent of all women-led/owned enterprises in Armenia are engaged in only two sectors: trade and services (predominantly agriculture).<sup>14</sup> The Global Entrepreneurship Monitor: Armenia National Report 2019/2020 indicates that:

- The extractive sector (agriculture) drives 25,6 percent of total female early-stage entrepreneurial activity (TEA) and 41,6 percent of established business activity (EBA)
- The consumer services sector (retail, personal services, restaurants) drives 52,2 percent of total female early-stage entrepreneurial activity (TEA) and 38,8 percent of established business activity (EBA)

**Women led/owned enterprises, as a result of being less dynamic,** have on average far less total full-time employees (3,3 persons) than man-led/owned enterprises (15,5 persons).<sup>15</sup> Meanwhile, **women-led/owned enterprises also, on average, tend to have more female employees (about 64 percent of total staff)** than men-led/owned enterprises (about 32 percent of staff). Women-led/owned enterprises are also younger than men-led ones (see Figure 2).<sup>16</sup>

<sup>13</sup> Halabisky, D. (2018), "Policy Brief on Women's Entrepreneurship", *OECD SME and Entrepreneurship Papers*, No. 8, OECD Publishing, Paris, <https://doi.org/10.1787/dd2d79e7-en>.

<sup>14</sup> IFC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

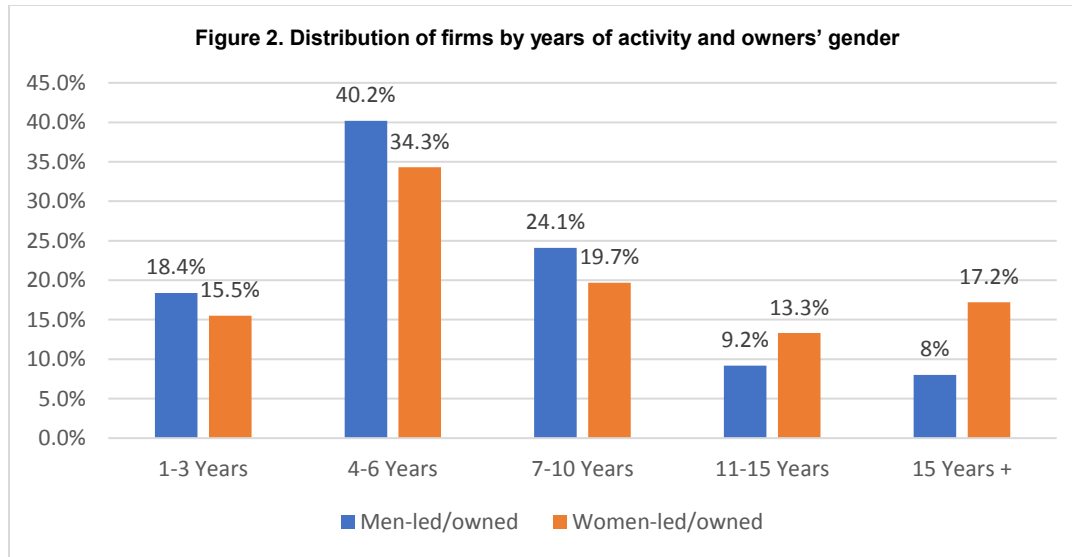
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<sup>15</sup> IFC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

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<sup>16</sup> IFC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

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**Women-led/owned enterprises account for a disproportionate share of the finance gap.** High interest rates for loans and insolvency often as a result of possessing no assets of their own are the two highest-ranked obstacles to access finance by women entrepreneurs.<sup>17</sup> Only about half of women-led/owned enterprises (53,4 percent) in the IFC study were able to use personal/household savings as the main source of funding to establish/acquire the enterprise compared to over two-thirds (69,3 percent) of male-owned businesses.<sup>18</sup> These numbers indicate that while men are more likely than women to use personal/household savings to start a business, women are more likely than men to seek loans. Operation of less dynamic smaller businesses in general is also considered<sup>19</sup> riskier by banks upon which women rely more to finance their enterprises. There is, additionally, a very limited use of a bank account by women in Armenia's regions ranging from 7 percent (lowest- in Lori region) to 28 percent (highest- in Syunik region).<sup>20</sup> While access to finance has been rated as an obstacle primarily by micro businesses, those mostly women-owned (44.9 % of representatives of micro businesses)<sup>21</sup>, the issue affects small and medium enterprises as well, again with large women representation. To conclude, financial support for entrepreneurship is the second main area constraining entrepreneurial activity in Armenia (with 40 percent of mentions) after Governmental policies (47,5 percent of times mentioned).<sup>22</sup>

**Women entrepreneurship/employment is affected by the patriarchal and traditional rigid social norms and perceptions.** About 28,7 percent of female respondents of the IFC study noted that even if women run businesses they are still dependent on men's guidance/sponsorship/approval, 26,1 percent that current customs and traditions constrain women's professional aspirations.<sup>23</sup> The IFC study indicates a case when in Gegharkunik region the family was against the woman opening a beauty salon but she persisted and received the 2015 Prime Minister award for "Woman Entrepreneur of the Year".<sup>24</sup> **Family-household responsibilities largely fall on (married, young) women, keeping them out of the labor market/entrepreneurship.** About 39,2 percent of female respondents of the IFC study noted that housekeeping and childcare responsibilities prevent women entrepreneurship. The IFC study further indicates that more than half of the female entrepreneur-respondents (52,6 percent) have no child below 18 years old, this most possibly explaining how the division of household tasks impacts on women's entrepreneurial potential.<sup>25</sup> **A**

<sup>17</sup> IFC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

<sup>18</sup> FC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

<sup>19</sup> See for instance: Cole R A, Mehran H. (2009). Gender and the Availability of Credit to Privately Held Firms Evidence from the Surveys of Small Business Finances, Federal Reserve Bank of New York, Staff Reports No. 383; Marlow, S, Patton, D. (2005). All Credit to Men? Entrepreneurship, Finance and Gender, Entrepreneurship Theory and Practice, 29(6), 717-35

<sup>20</sup> Republic of Armenia, Demographic and Health Survey 2015-2016, 2017.

<sup>21</sup> IFC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

<sup>22</sup> America C/JSC. (2020). Global Entrepreneurship Monitor: Armenia National Report 2019/2020. <https://www.gemconsortium.org/file/open?fileid=50511>

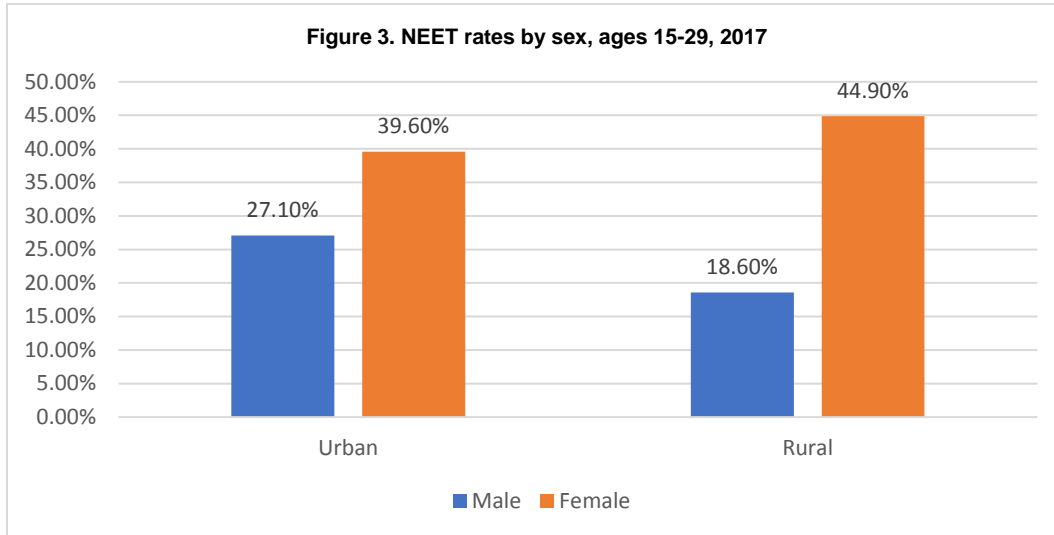
<sup>23</sup> FC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

<sup>24</sup> FC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

<sup>25</sup> FC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

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recent survey of Armenian youth found that a large share of economically inactive youth (65,2 percent) are women who possess the education and skills needed to join the labor force but do not seek employment due to family responsibilities.<sup>26</sup> Moreover, a large share of youth not in the education system and not in employment (NEET) are women: approximately 30 percent more females than males are represented in the 25-29 age group (see Figure 3).<sup>27</sup> Gender gaps in NEET rates are especially high in rural areas, where they also begin to widen at an earlier age. In 2017, 45 percent of females in rural areas were NEET versus only 19 percent of rural males. By age 18, the rural gender gap begins to widen as NEET rates start to climb for women. In contrast, NEET rates remain relatively steady for males from the age of 18.<sup>28</sup> In the 15-29 age group, most female NEETs (54 percent) are homemakers or caregivers whereas most male NEETs (58 percent) are predominantly seeking work.



**Women report lack of highly productive employment/entrepreneurship knowledge and skillsets** which often are result of limited managerial experience, lack of specialized education, especially in the regions.<sup>29</sup> This leads many women entrepreneurs to conduct business intuitively. The IFC study notes that the need for business management training received the most responses (46,3 percent), followed by PR/marketing training (39,1 percent), financial advice (38,2 percent), legal advice (33,9 percent), financial management training (32,2 percent), and professional networking support (23,3 percent). In general, women entrepreneurs clearly highlighted the need for sustained mentorship and networking in terms of business education. **The gap between male and female labor force participation has changed very little since 2000 (see Figure 4).**

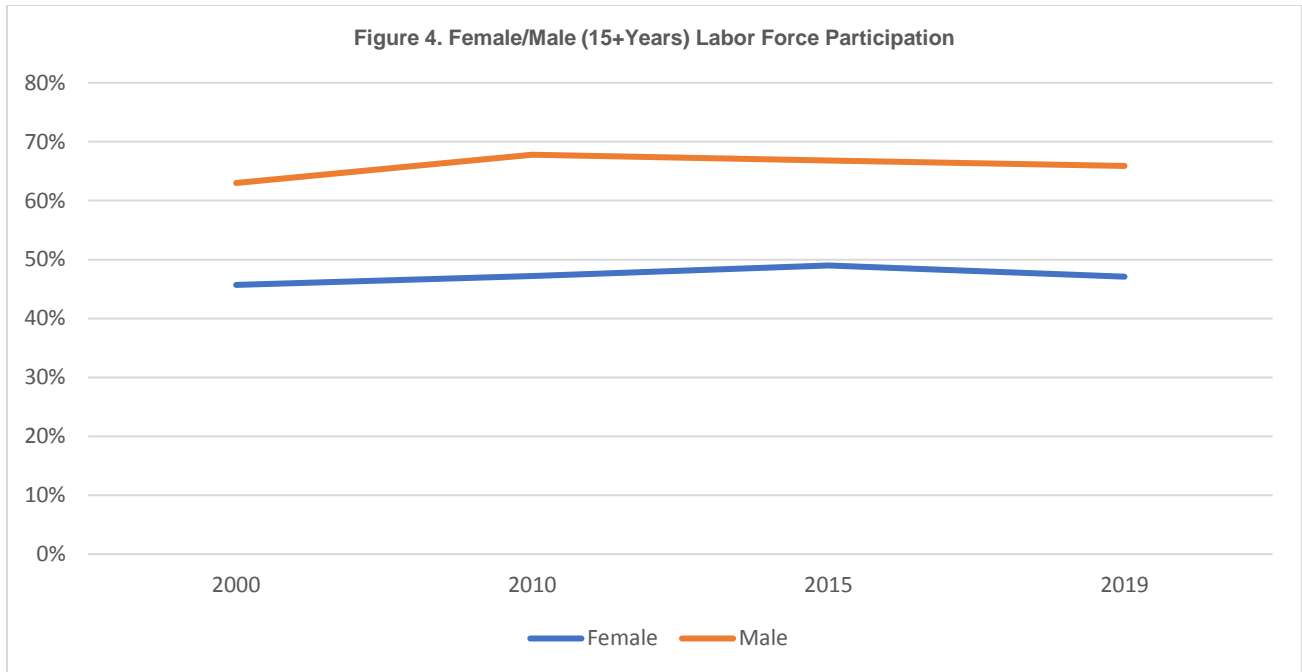
<sup>26</sup> The country-wide survey was conducted in 2018 and included a quantitative survey of 850 persons aged 18 to 30 yrs. Source: Media-Model LLC. Youth-Focused and Gender-Sensitive Labour Market Research in Armenia, 2018.

<sup>27</sup> National Statistical Council (NSC). Labour Force Survey Anonymised Micro Data Databases, 2014-2017, 2017.

<sup>28</sup> Buitrago Hernandez, S. P., A. Fuchs Tarlovsky, C. A. Cancho, J. N. Lundvall and N. Millan. 2019. Exploring the diversity of young people not in employment, education or training (NEET): the gender profile of NEETs in Georgia and Armenia. Washington, D.C.: World Bank Group. <https://hubs.worldbank.org/docs/imagebank/pages/docprofile.aspx?nodeid=31124049>

<sup>29</sup> IFC. (2021). Women Entrepreneurship Study in Armenia: Qualitative and Quantitative Study Synthesis Report. Prepared by EV Consulting.

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Source: UNDP. Human Development Reports. Human Development Data (2000–2019). <http://hdr.undp.org/en/data> (accessed 09 November 2021).

**The majority of women-led/owned SMEs turned to be operating in the sectors hardest hit by the COVID-19 lockdown restrictions.** Against the backdrop of the pre-pandemic inequalities, the recent Socio-Economic Impact Assessment for Armenia has highlighted that as a result of the COVID-19 crisis, Small and Medium-Sized Enterprises (SMEs) in Armenia experienced immediate strong shocks, with women-led SMEs hit hardest.<sup>30</sup> The Socio-economic Impact Assessment of the COVID-19 Outbreak in Armenian Communities (SEIA)<sup>31</sup> revealed that almost half of the registered SMEs in Armenia were working in sectors hit harder by the crisis. Interestingly enough, the majority of women-led SMEs were operating in the sectors impacted by the lockdown restrictions. Whilst Government support measures are targeting hard-hit SMEs, particularly in the tourism and service sectors, many individual entrepreneurs, micro- and unregistered SMEs, often led by women, have been left out.

**Women's underrepresentation in science, technology, engineering and mathematics (STEM) places them at a disadvantage in accessing and participating in sectors critical for economic response and recovery.** With an increased number of workers and businesses now conducting their work and business virtually, the COVID-19 pandemic has underlined the importance of digital economies, suggesting that STEM skills are going to be one of the most-in-demand both in education and labor market. Currently, women comprise 39,8 percent of graduates from STEM-related tertiary level programs according to UN Economic Commission for Europe.<sup>32</sup> A 2017 study on women in STEM careers by the World Bank found that societal beliefs about gender norms, particularly in rural areas, have limited women's education and career choices.<sup>33</sup>

**To sum up, development of women entrepreneurship and productive employability in Armenia faces ecosystem-level compound challenges which require complex and non-traditional (innovative) support mechanisms to boost women's entrepreneurial potential and economic empowerment in Armenia.** The challenges that women identify include discouraging social and cultural attitudes, lower levels of entrepreneurship/highly productive employment skills, greater difficulty in accessing start-up financing, smaller and less effective entrepreneurial networks and policy frameworks that discourage women's entrepreneurship.<sup>34</sup> The low female activity rates and lack of compound innovative solutions are of special concern as women represent an important, untapped potential force for economic growth. There is a clear need for ecosystem-level mechanisms to connect ecosystem players and provide the complex support needed to boost women entrepreneurship and employability in increased productivity labor areas.

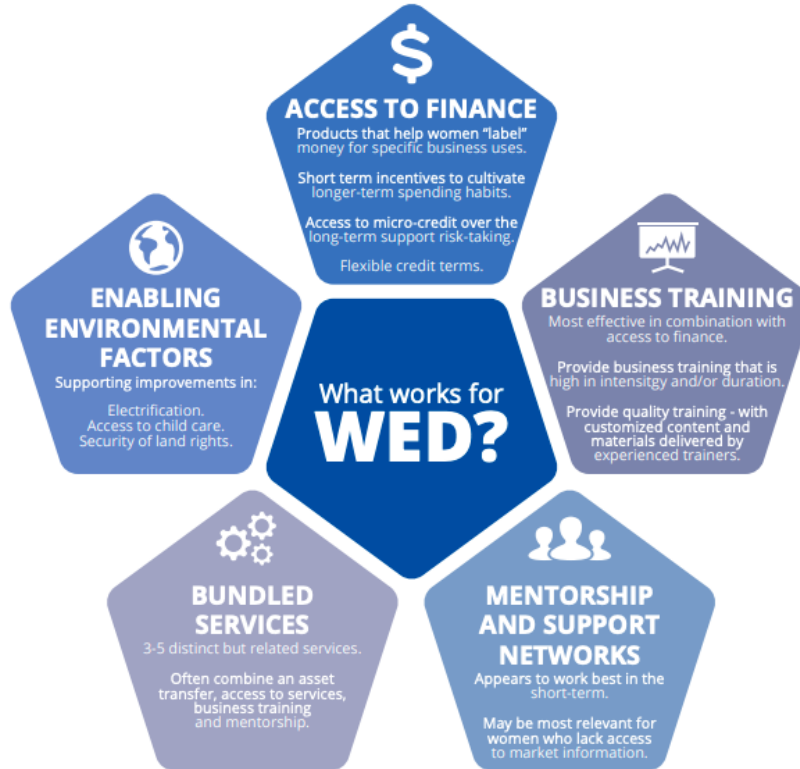
<sup>30</sup> <https://www.am.undp.org/content/armenia/en/home/library/socio-economic-impact-assessment-of-the-covid-19-outbreak-in-arm.html>

<sup>31</sup> <https://www.am.undp.org/content/armenia/en/home/library/socio-economic-impact-assessment-of-the-covid-19-outbreak-in-arm.html>

<sup>32</sup> [https://unece.org/fileadmin/DAM/RCM\\_Website/ECE\\_AC.28\\_2019\\_3-e\\_rev.pdf](https://unece.org/fileadmin/DAM/RCM_Website/ECE_AC.28_2019_3-e_rev.pdf)

<sup>33</sup> Inoue, Keiko; Bailey, Laura E.; Aedo Inostroza, Mario Cristian. 2017. Armenia - Leveling the STEM playing field for women : differences in opportunity and outcomes in fields of study and the labor market : Armenia - leveling the STEM playing field for women : differences in opportunity and outcomes in fields of study and the labor market (English). Washington, D.C. : World Bank Group. <http://documents.worldbank.org/curated/en/355331495185406481/Armenia-leveling-the-STEM-playing-field-for-women-differences-in-opportunity-and-outcomes-in-fields-of-study-and-the-labor-market>

<sup>34</sup> Ruta Aidis, PhD., Sona Balasanyan, PhD., and Gohar Shahnazaryan, PhD. USAID/Armenia Gender Analysis Inception Report and Work Plan. Prepared by Banyan Global. 2019. [https://www.researchgate.net/publication/335858505\\_USAID-Armenia-Gender-Analysis-Report](https://www.researchgate.net/publication/335858505_USAID-Armenia-Gender-Analysis-Report)



## II. STRATEGY

The Project has been designed to ensure that women are capacitated and empowered to actively participate and contribute, through increased productivity employment/entrepreneurship, to economic recovery efforts that will help Armenia build forward better. Women's economic empowerment is the guiding principle of the Project, along with the Sustainable Development Goal (SDG) 5 and targeting project beneficiaries based on the principles of leaving no one behind, while providing complex support to compound challenges where traditional means do not work.

The project strategy builds on the extensive need assessment in women entrepreneurship/employability support outlined in the development challenge part above, recommendations from the 2018 ILO brief<sup>35</sup> and extensive review of domain literature. The ILO brief corroborates evidence from 6 meta-evaluations and 23 rigorous impact evaluations of women economic empowerment/entrepreneurship development interventions and **points towards bundling the following types of women entrepreneurship support services (see the figure below) in a complex ecosystem-level intervention framework to boost women entrepreneurship.**

**In addition to the framework above, the following key considerations are applied stemming from domain literature and practice to build the Theory of Change (ToC):**

- There is evidence that women-only programmes are more effective at reaching women because they are more likely to be aware of those and more comfortable participating when it is women-only<sup>36</sup>. This also refers to women being mentored by women.
- From the available evidence, features of business/increased productivity employability trainings that likely contribute to improved business practices include medium to high intensity, simpler training content tailored to entrepreneur skill and scale.<sup>37</sup>

<sup>35</sup> [https://www.ilo.org/empent/areas/womens-entrepreneurship-development-wed/WCMS\\_616804/lang-en/index.htm](https://www.ilo.org/empent/areas/womens-entrepreneurship-development-wed/WCMS_616804/lang-en/index.htm)

<sup>36</sup> Fielden, S. and C. Hunt (2011), "Online coaching: An alternative source of social support for female entrepreneurs during venture creation", *International Small Business Journal*, Vol. 29, pp. 345-359.

<sup>37</sup> See Cho, Y. and M. Honorati (2013). *Entrepreneurship programs in developing countries*. World Bank Policy Research Working Paper 6402. Washington, DC: World Bank.; Grimm, M. and A.L. Pfaffhausen (2014). Do Interventions targeted at microentrepreneurs and small and medium-sized firms create jobs? A Systematic review of the evidence for low and middle income countries. IZA Discussion Paper No. 8193. IZA; Berge, L., Oppedal, I., Bjorvatn, K., and B. Tungodden (2014). Human and financial capital for microenterprise development: Evidence from a field and lab experiment.; De Mel, S., McKenzie, D., and C. Woodruff (2012). Business training and female enterprise startup, growth, and dynamics: Experimental evidence from Sri Lanka. World Bank Policy Research Working Paper, No. 6145. Washington, DC: World Bank.

- Programs which offer training and mentorship tend to be more impactful for women compared to programs which only offer training.<sup>38</sup> This also refers to post-program mentorship as in many cases mentorship is offered only during the training program.
- Peer-to-peer support may be especially relevant in rural contexts, and/or for women who traditionally lack access to market information (e.g., rural producers).<sup>39</sup> This is important as women are less inclined to join business associations, special interest groups and other formal large networks<sup>40</sup>, meanwhile stronger networks are correlated with more successful early-stage business development and the provision of positive support<sup>41</sup>.
- Entrepreneurship/Increased productivity employment at heart is a set of behaviors which, if impacted by gender-blind policies, and a context of non-supportive social norms and perceptions, largely limit women's economic empowerment. There is research evidence that behavioral interventions help tackle the intention-action gap and non-supportive social norms, and that behavioral insights help develop policies that provide gender-responsive support.<sup>42</sup>

### The project theory of change (ToC) can be summarized as follows:

*If women are offered market-data-driven, future-oriented employability incubation programs with a compound set of support mechanisms*

*If (aspiring) women entrepreneurs and women-led businesses are offered medium to high intensity, women-only incubation/acceleration programs specific to their business scale/skill/geographic needs*

*If (aspiring) women entrepreneurs and women-led businesses are offered during and post-program mentorship and access to women-only and/or mixed entrepreneurial networks*

*If (aspiring) women entrepreneurs and women-led businesses are offered results-based and considerable financial, environmental (e.g., positive behavior nudging, assistance to shift to more dynamic business sectors) and institutional (e.g., government-level paid nurse for children, data-informed policies) support*

**Then** women will be empowered to get engaged in an economic activity, will recover from the socio-economic impacts of the COVID-19 crisis faster, be self-reliant and resilient to future shocks, and be actively involved in and contributing to the wider efforts of building forward better.

**Because** women and girls are important agents of change for economic development and increased employability during and in the aftermath of the COVID-19 pandemic.

The ToC is an integrated part of the response and recovery change pathway described in the UN SERRP of Armenia. The Project will help trigger 3 systemic changes needed to drive sustainable development in the post-COVID-19 crisis context.

These are:

- **State/ecosystem-level complex, gender-responsive support schemes** for women entrepreneurship and increased productivity employability utilized through extensive network partnerships
- **Increased Resilience by reducing the vulnerability of women** to future socio-economic and shocks, other natural disasters, epidemics and crises; and
- **More People-Centered Development and opportunities for women's decision-making** to ensure that social services are inclusive and gender-responsive and socio-economic prosperity benefits all, not least women living or working in the most challenging contexts and environments.

<sup>38</sup> McKenzie, D., and Puerto, S. (2015). "The direct and spillover impacts of a business training program for female entrepreneurs in Kenya." International Labor Organization. ; Valdivia, Martín. "Business training plus for female entrepreneurship? Short and medium-term experimental evidence from Peru." Journal of Development Economics 113 (2015): 33-51.; Giné, X. and Mansuri, G. (2016) "Money or Management? A Field Experiment on Constraints to Entrepreneurship in Rural Pakistan", Mimeo. World Bank.; Brooks, W., Donovan, K. and Johnson, T. (2016) "The Dynamics of Inter-Firm Skill Transmission among Kenya Microenterprises".

<sup>39</sup> Vasudevan R., and Wasilkowska K. (2018). "Entrepreneurship Development Interventions for Women Entrepreneurs: An update on what works". International Labor Organization. Issue brief No 7

<sup>40</sup> Klyver, K. (2011), "Gender differences in entrepreneurial networks: Adding an alter perspective", Gender in Management: An International Journal, Vol. 26 (5), pp. 332-350.

<sup>41</sup> Klyver, K. and S. Grant, (2010), "Gender differences in entrepreneurial networking and participation", International Journal of Gender and Entrepreneurship, Vol. 2 (3), pp.213-227.

<sup>42</sup> See: Glaub, M. E., Frese, M., Fischer, S., & Hoppe, M. (2014). Increasing personal initiative in small business managers or owners leads to entrepreneurial success: A theory-based controlled randomized field intervention for evidence-based management. Academy of Management Learning & Education, 13(3), 354-379.; Burnette, J. L., Pollack, J. M., Forsyth, R. B., Hoyt, C. L., Babij, A. D., Thomas, F. N., & Coy, A. E. (2020). A growth mindset intervention: Enhancing students' entrepreneurial self-efficacy and career development. Entrepreneurship Theory and Practice, 44(5), 878-908.; The Behavioural Insights Team. (2014). EAST: Four simple ways to apply behavioural insights.



The ToC is nonetheless exposed to **underlying risks**, that can affect the timely and/or full delivery expected project results. The risks include but are not limited to the following:

- The noted digital divide between rural and urban areas, as well as between older and younger generations in Armenia could hinder target groups from actively taking part and benefiting from the Project.
- Income insecurity or loss, coupled with economic downturn, could limit participating women's abilities and desires to initiate start-up projects or persuade new career paths.
- Rooted societal perceptions, stereotypes and behavioral insecurities towards women entrepreneurship and employability.

**To mitigate these risks**, the Project will be implemented and managed in a **gender-sensitive manner**, applying **participatory approaches**, **Leave No One Behind** and **Do No Harm Principles** to support decisions related to activity design, implementation and monitoring. The Project will also draw on vast in-house experience of implementing women's economic empowerment projects in Armenia, as well as international best practices and corporate guidelines. Given the ongoing COVID-19 pandemic, the programme activities will also have online delivery modalities to the extent possible to ensure that the spread of the coronavirus is mitigated.

The ToC clearly states that women's empowerment is the principal objective of the Project and an articulated causal link chain on how programming efforts will lead to SDG5 implementation, thus scoring a Gender Equality Marker 3 (GEN 3).

### III. RESULTS AND PARTNERSHIPS

#### *Expected Results*

The Project is in line with the following Outputs and Performance Indicators under the [UNDP Country Program Document \(CPD\) 2021-2025](#):

**2021-2025 UNSDCF OUTCOME 7:** People benefit from evidence-based, human-centric and Sustainable Development Goals-aligned policies supported by diversified sources of financing, innovation, and partnerships for sustainable development for all

**STRATEGIC PLAN OUTCOME: Outcome 2:** Accelerate structural transformations for sustainable development

**2021-2025 CPD OUTPUT 4.1.** New mechanism and partnerships established to support impact-driven innovation ecosystems for the Goals.

**Indicator 4.1.1** Number of innovative Goals aligned mechanisms and partnerships developed

#### **SDG MAPPING**

##### **SDG 4 – Quality Education**

**Target 4.4** By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

##### **SDG 5 – Gender Equality**

**Target 5.b** Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women

##### **SDG 8 – Decent Work and Economic Growth**

**Target 8.2** Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high value added and labor-intensive sectors.

#### **Project alignment key National Documents: Armenia's Transformation Strategy 2050, Government Program 2021-2026, Sectoral and/or Other Strategies**

The Project aligns to SME Development Program of the Government of the Republic of Armenia for 2021-2026 approved by the Government Decision N 1443-L of August 27, 2020. One of the goals and objectives of the strategy (point 3.1) is to promote the development of entrepreneurship in Armenia in the medium term, to increase the competitiveness of SMEs, to support the growth of SME competitiveness; through investment (generation), "Promoting the entrepreneurial culture of capacity development of SMEs".

**Armenia's Transformation Strategy 2050** "Healthy and Safe Citizen, People" section "4.2. High level of working capacity "of the target result "Employment of women/employment of the disabled (indexed, compared to male employment)", which should be 0.75 for 2025.

**"Goal 3" of the "Work, Armenia" strategy** approved by the RA Government Decision N 1753-L of December 5, 2019. Problem 3. Action **3.2. Development and implementation of new programs for women to integrate in the labor market.**

### **The Project Goal & Components**

The overall project goal is: **Women benefit from human-centric, SDG-aligned ecosystem level innovative support mechanism established to boost women entrepreneurship and employability in areas of increased productivity labor in Armenia.**

To achieve this goal, the Project will focus on the following outcome and related components:

**Project Outcome:** Women are more resilient and self-reliant through innovative ecosystem-level support mechanisms to overcome compound challenges in entrepreneurship.

- **Component 1. Accelerator#5. National Platform for Economic Empowerment of Women established.** An ecosystem level support mechanism – national platform – is established to provide compound support to women entrepreneurship, increase employability and productivity.
- **Component 2. Roll-out and Implementation of Accelerator#5 via 2-track programmatic batches.** Women, on an experimental basis, benefit from the complex employability and entrepreneurship support mechanism including business and digital skills and financial assistance to access/adapt to changing markets in the COVID-19 context.

The project will be implemented in close partnership with the RA Ministries of Labor, Social Affairs and Economy of the Republic of Armenia, as key sectoral leads of the Government. "The Accelerator#5. National Platform for Economic Empowerment of Women" will be established as an ecosystem-level support mechanism that integrates, boost and utilizes ecosystem capacities (the Government, civil society organizations, private and donor sector players) to provide a harmonized support to women employability and entrepreneurship.

**This will be achieved through the following key activities:**

### **Component 1. Accelerator#5. National Platform for Economic Empowerment of Women established**

#### **1.1. Accelerator model development**

- 1.1.1. Development of a detailed framework of the accelerator's portfolio-level results, impact (including against SDGs), monitoring and evaluation, including the design of economic indicators for entrepreneurship and employability promotion.
- 1.1.2. Development of the accelerator's operational maturity and sustainability model.
- 1.1.3. Development of the accelerator's financial sustainability model including mapping of the annually expected sources of funding (including from the private and development partners) and the financial investments from the Government of the Republic of Armenia.
- 1.1.4. Development of the accelerator's exit and (Government) transfer strategy /starting from YY2024-25/.
- 1.1.5. Conducting accelerator's launch Ideathon event to present the initial concept to ecosystem partners.
- 1.1.6. Official public launch of the accelerator, announcement of applications for participation in acceleration batches.

#### **1.2. Establishment of the Accelerator's Employability Track (MLSA-supported track)**

- 1.2.1. Development of the Employment Strategy of the Republic of Armenia Ministry of Labor and Social Affairs.
- 1.2.2. Development of efficient models (programmes) and directions, based on the Employment Strategy, to promote women employability based on the research of international and local best practices.
- 1.2.3. Development of terms of references to implement the models (programmes) and strategic directions to promote women employability.

- 1.2.4. Mapping of local ecosystem players involved in the provision of women employability programmes to identify possible partners per type of activity and regional scope.
- 1.2.5. Development of a detailed framework of the accelerator's women employability track impact (including against SDGs), results, monitoring and evaluation, including economic indicators.
- 1.2.6. Development of the accelerator's annual flow capacity and required resource plan (including financial resources).

### **1.3. Establishment of the Accelerator's Entrepreneurship Track (Ministry of Economy supported track)**

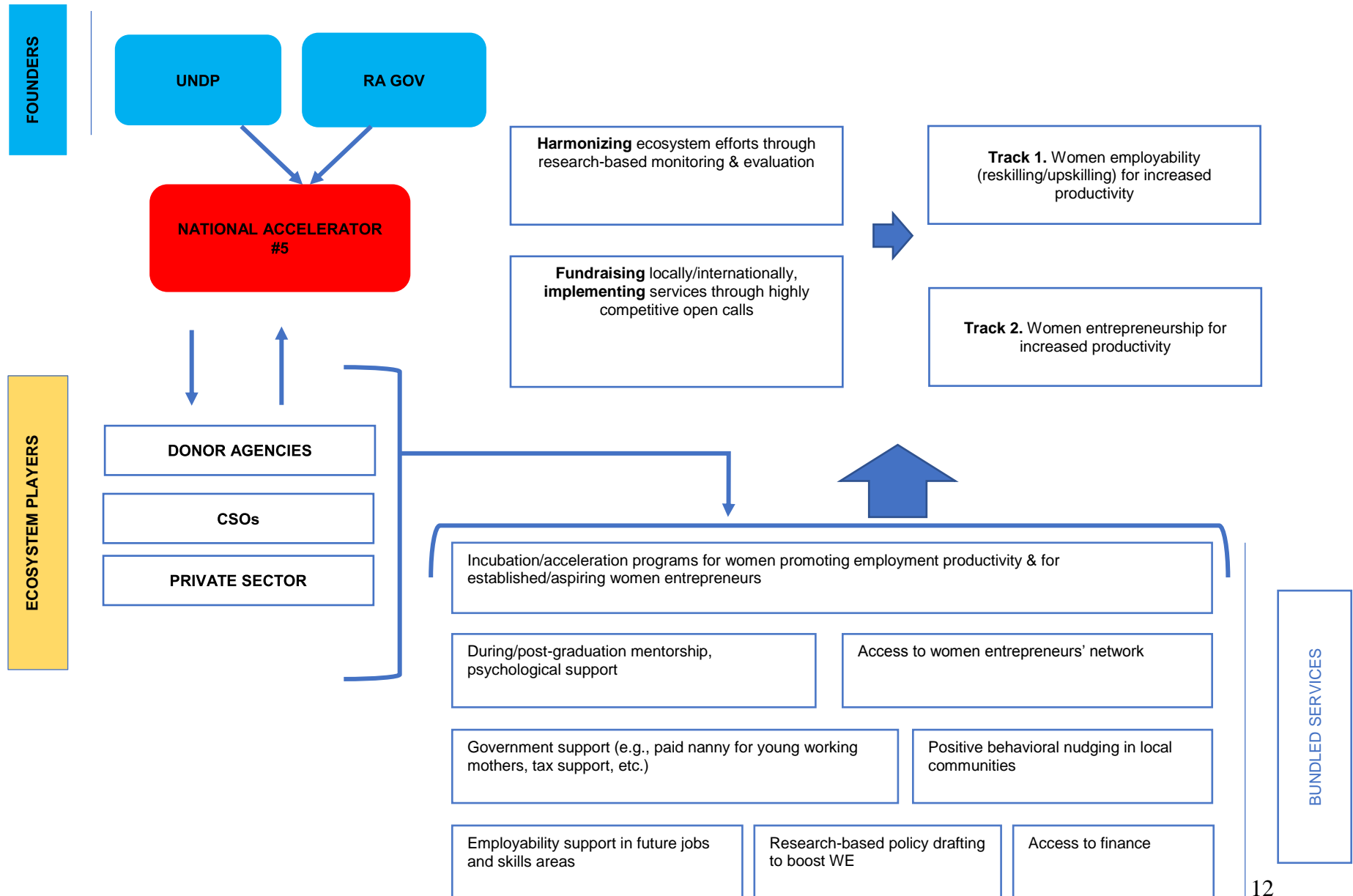
- 1.3.1. Outline of strategic areas to promote women entrepreneurship, elaboration / revision of technical terms of references (per level and industry type of SME) to involve implementing partners
- 1.3.2. Mapping of local ecosystem players involved in the provision of women entrepreneurship programmes to identify possible partners per type of activity and regional scope.
- 1.3.3. Development of a detailed system of the accelerator's track-level (women employability) impact, its monitoring and evaluation, including the design of economic indicators for entrepreneurship and employability promotion, design of specific monitoring and evaluation criteria and indicators, SDG-aligned impact measurement indicators
- 1.3.4. Development of the accelerator's annual flow capacity and required resource plan (including financial resources).
- 1.3.5. Definition of financial support to be provided by the accelerator to women entrepreneurs per scale and sector of their business and development of the financial support policy.
- 1.3.6. Definition of financial resources necessary for the implementation of the lifetime mentorship concept, mapping of potential mentors/ preparation of relevant terms of references.

## **Component 2. Roll-out and Implementation of Accelerator#5 via 2-tracked programmatic batches**

- 2.1. Pilot launch of the accelerator's women employment track for at least 250 low-skilled women participants **(MLSA-supported track)**.
- 2.2. Pilot launch of the accelerator's women entrepreneurship track for at least 50 aspiring and 50 established women entrepreneurs **(Ministry of Economy supported track)**.

**At the end of the second quarter of 2022, following the mid-completion of Component 1 activities UNDP, in cooperation with the RA Ministries of Labor and Social Affairs and Economy, will present to the Government of the Republic of Armenia the detailed plan for the massive scale-up of the Accelerator # 5.** The program will contain detailed annual performance indicators, their implementation and monitoring strategy, as well as the annual investments expected from the Government of the Republic of Armenia, development and private sector partners. UNDP Innovation, Acceleration and SDG Finance Portfolio comprehensive knowledge and experience, in particular the ImpactAIM experience will be instrumental in developing the detailed concept of the accelerator.

**ACCELERATOR#5 MODEL**



*The accelerator, in addition to the above-mentioned model, will operate on the following basic principles:*

1. Involvement of partners for the implementation of women employability and entrepreneurship track programs based on relevant calls against the identified terms of references.
2. Monitoring the implementation of women employability and entrepreneurship track programs and evaluation according to pre-defined performance indicators.
3. Ongoing fundraising from the Government of the Republic of Armenia, development and private sector partners to implement women employability and entrepreneurship track programs.

## **Key Expected Results**

### **Component 1. Established National Accelerator#5 for compound support to women entrepreneurship and advanced employability**

#### **1.1. Accelerator Establishment Activities**

- 1.1.1. A detailed framework of the accelerator's portfolio-level impact results, impact (including against SDGs), including the design of economic indicators for entrepreneurship and employability promotion is developed.
- 1.1.2. The accelerator's operational maturity and sustainability model is developed.
- 1.1.3. The accelerator's sustainable financial model including mapping of the annually expected sources of funding (including from the private and development partners) and the financial investments from the Government of the Republic of Armenia is developed.
- 1.1.4. The accelerator's UNDP exit and Government transfer strategy /starting from 2024-25 is developed /.
- 1.1.5. The accelerator's launch Ideathon event to present the initial concept to ecosystem partners is implemented.
- 1.1.6. Official public launch of the accelerator, announcement of applications for participation in acceleration batches is implemented.

#### **1.2. Activities Aimed at Establishment of the Accelerator's Employability Track (MLSA supported track)**

- 1.2.1. Support to Employment Strategy development of the Republic of Armenia Ministry of Labor and Social Affairs.
- 1.2.2. Efficient models (programmes) and directions, based on the Employment Strategy, to promote women employability based on the research of international and local best practices are developed.
- 1.2.3. *Terms of references to implement the models (programmes) and strategic directions* to promote women employability are developed.
- 1.2.4. Local ecosystem players involved in the provision of women employability programmes to identify possible partners per type of activity and regional scope are mapped.
- 1.2.5. A detailed framework of the accelerator's women employability track impact (including against SDGs), results, monitoring and evaluation, including economic indicators are outlined.
- 1.2.6. The accelerator's annual flow capacity and required resource plan (including financial resources) is developed.

#### **1.3. Activities Aimed at Establishment of the Accelerator's Entrepreneurship Track (Ministry of Economy supported track)**

- 1.3.1. Strategic areas to promote women entrepreneurship, elaboration / revision of technical terms of references (per level and industry type of SME) to involve implementing partners are outlined.
- 1.3.2. Local ecosystem players involved in the provision of women entrepreneurship programmes to identify possible partners per type of activity and regional scope are mapped.
- 1.3.3. A detailed system of the accelerator's track-level (women employability) impact, its monitoring and evaluation, including the design of economic indicators for entrepreneurship and employability promotion, design of specific monitoring and evaluation criteria and indicators, SDG-aligned impact measurement indicators is developed.
- 1.3.4. The accelerator's annual flow capacity and required resource plan (including financial resources) is developed.
- 1.3.5. The amount of financial support to be provided by the accelerator to women entrepreneurs per scale and sector of their business and development of the financial support policy is calculated.
- 1.3.6. The financial resources necessary for the implementation of the lifetime mentorship concept, mapping of potential mentors/ preparation of relevant terms of references is calculated.

### **Component 2. Roll-out and Implementation of Accelerator#5 via 2-tracked programmatic batches**

- 2.1. At least 250 low-skilled women have participated in the accelerator's women employment track. (MLSA supported track)
- 2.2. At least 50 aspiring and 50 established women entrepreneurs have participated in the accelerator's women entrepreneurship track (Ministry of Economy supported track).

## **Resources Required to Achieve the Expected Results**

The project will require distinct human and financial resources to achieve the expected results, including a Project coordinator, Project Assistant, Communications and Events Specialist, Impact Measurement and Management Specialist.

UNDP Innovation, Acceleration and SDG Finance portfolio will provide overall guidance and quality assurance to the project execution towards the desired outcomes.

## Partnerships

**Government:** The project will build on enhanced partnership with the **RA Ministry of Labor and Social Affairs and the RA Ministry of Economy** as the Government-level sectoral leads in the field. The project will both utilize existing government-support mechanisms and aim to expand these mechanisms through policy support based on data from the concept design and implementation of the national acceleration mechanism. The project also aims to boost the capacities of both ministries for further operational involvement in the works of the National Accelerator and gradual handover of project management leadership to the Government.

The Project will primarily leverage UNDP Innovation, Acceleration and SDG Finance Portfolio networks, UNDP ImpactAim Accelerator's established network of local and global partners, as well as Government partnerships led by the RA Ministry of Labor and Social Affairs and the RA Ministry of Economy.

The Project will substantially collaborate and make use of established partnerships, networks and developed capacities in the frameworks of MPTF funded "Accelerating women's empowerment for economic resilience and renewal - the post COVID-19 reboot in Armenia" Project implemented by UNDP ImpactAIM Accelerator. This will also serve for parallel funding of activities in the amount of USD 100,000 aimed at empowering women and girls as agents of change during and in the aftermath of the COVID-19 pandemic through targeted gender-responsive actions.

Given the integrated nature of the interventions, the Project will closely collaborate with other UNDP projects cross-portfolio, specifically with **SDG Innovation Lab** for behavioral nudging and policy innovation, **UNDP Gender Equality and Women's Empowerment programme**, to ensure UNDP best methodology and experience of mainstreaming gender equality dimension.

Within the framework of WEESC project, UNDP and UN Women are closely working with private companies which have adopted the UN Women/Global Compact Women's Empowerment Principles – Equality Means Business (WEPs) with a focus on implementing gender-responsive corporate policies and practices to increase women's access to decent work; and increasing inclusion of more women-owned and collective enterprises in their supply chains. 11 target companies have already signed the Global Compact, such as Coca-Cola, Dom-Daniel, Mentor Siemens Business, Armenia Security Exchange, C-QUADRAT, HSBC, Ibis Hotel, MBG Hospitality Group, McCann Yerevan, Synergy International Systems, Armenia Marriott Hotel. They are committed to not only practicing WEPs internally, but also to supporting local communities for women engagement and empowerment. Particularly, their WEPs action plans include establishing preferred business relations with businesses owned by women, promoting professional achievements of women publicly via web-site and social media platforms, providing financial support for professional development targeting talented women (outside the company), enacting gender-balanced training and internship scheme to ensure increased number of female interns, including specializations in Coding, Development and Network Infrastructure, Hospitality, Marketing, Finance (many have supported "girls in finance" scheme previously). To further materialize this partnership potential the Project will invite them to join the Ecosystem partners network and provide support to the participants of the Accelerator.

The project will also capitalize on the networks and tested models of **UNDP's Kolba Lab**, an incubator for citizen-led innovations. Specifically, the project will use Kolba's experience in foresight and future-planning, carried in the target regions throughout 2018-2019. The round of foresight research has identified plausible development areas for Armenia, troubleshooting the employment ecosystem and identifying necessary jobs and skills to meet the future targets. The project will respond to the challenges identified by the research and will suggest fast-tracking up/reskilling courses through VET institutions.

The Project will synergize its efforts with other **UN Agencies** (UNICEF, UNIDO and UN WOMEN) and will leverage their experiences in women empowerment programming, normative and coordination mandate to provide targeted support. The Project will also utilize an extensive list of partnerships identified through the project activities.

## Stakeholder Engagement

Given the nature of the Project it will serve as a platform that unites ecosystem players for the common goal of promoting women empowerment, entrepreneurship, and employability in the country. UNDP will engage different stakeholders from private sector, academia, civil society organizations and donor community to bring stakeholders onto the national platform and scale the initiative.

## South-South and Triangular Cooperation (SSC/TrC)

Though at this stage the Project does not involve South-South and Triangular Cooperation, relevant opportunities may be identified, and partnerships shaped throughout implementation phase.

## Knowledge

The Project will rely on UNDP's experience in applying systems thinking and platform approach to tackling complex development challenges with the objective to jointly co-design and develop more comprehensive and systemic solutions to the challenges encountered by women and girls in the post-COVID-19 reality. Such an approach would allow bringing in multiple perspectives by connecting different stakeholders (development agencies, government, private sector, tech community, etc.), leveraging collective intelligence and expertise to produce solutions for systemic change.

The Project will reply on its multidisciplinary approach for women empowerment with initiatives to catalyze women's entrepreneurship and employability in rural areas, while also enabling a favorable environment for their engagement in local advocacy and making decisions affecting their economic and social wellbeing. Particularly, within the framework of the Women Economic Empowerment in the South Caucasus UNDP implemented and UN Women financed project, UNDP in partnership with Green Lane NGO and "3R Strategy" LLC has provided capacity building and in-kind support to rural women to develop new or improve poorly operating micro and small individual/family enterprises, as well as to enhance their agricultural production. Many of the mentioned women have already recorded considerable income increase (project ends in July 2021). These women also sign up to self-help groups in 11 amalgamated communities that enables them to engage in constructive dialogue with their local governments on issues concerning community development, planning and budgeting. Such social and political activism along with improved economic practices strengthens women's role within their communities and families, that in turn mitigates risks of gender-based vulnerability and discrimination.

- The project will commission training modules for the capacity building of the beneficiaries.
- The visibility of the Project will be ensured through regular social media posts, video and photo content, publications in online and offline media outlets, interviews, opening ceremonies of the project-funded initiatives, field visits engaging the donor and partners.

## Impact Measurement and Management for SDG-alignment and Acceleration

The project will be enhanced with extensive capacity, knowledge and skills building Impact Measurement and Management track designed and offered specifically for selected business ventures of Accelerators. Unlike traditional tech accelerators, UNDP ImpactAIM is a business impact accelerator that offers Impact measurement and management (IMM) track to address the impact needs of tech and business ventures. Complemented by the detailed curriculum on IMM and offered onsite and online training packages, impact sessions help the selected startups to build their impact models and learn how to measure, analyze, report, and improve their impact performance, and specifically to understand how to align the business model with the United Nations Sustainable Development Goals (SDGs). The generated impact models proved their applicability for various targets, including improved decision making for ventures, partnership building, resource mobilization, impact investment, rescaling the business models towards the SDG agenda, and others.

### Utilizing ImpactAIM SDG-alignment IMM Toolkit – ImpactStation

The Impact Measurement and Management track utilizes the ImpactAIM IMM SDG-alignment toolkit – ImpactStation. While having the Business Lean Canvas at the core the ImpactAIM SDG-alignment toolkit supports the selected startups from capacity and needs assessment, gap analysis, identification of impact vision and strategy, followed with the design of Theory of Change (ToC) built on the business lean model, selection of relevant matrix (Impact-Output-Outcome-Impact model) and targets toward SDGs. The logical chain is concluded with reporting and analysis of the impact model.

### Leveraged Expertise of UNDP

Alongside with delivering the content the project will adapt comprehensive and multi-layered approach on capacity and knowledge building, specifically the ImpactAIM platform will facilitate dialogue between the project trainees and UNDP's field-specific technical competency. This approach will ensure access to significant in-house expertise of UNDP in areas as gender equality and empowerment, sustainable agriculture, climate change adaptation and mitigation, water resource management, food security and others. This approach will support the establishment and further growth of established women-led impactful businesses leading to accelerated ventures to contribute to economic growth and to building the entrepreneurial ecosystem eventually.

## Sustainability and Scaling Up

The Project builds an ecosystem-level complex mechanism (the Accelerator) to support women entrepreneurship. Once established and operational, the Project will aim to gradually build MLSA's and the Ministry of Economy capacities to independently manage the mechanism. The capacity-building will include both provision of a detailed concept with sustainability and scale-up plans, as well as involvement of the MLSA's and the Ministry of Economy human resources in actual project management for transfer of experience.

The alignment of the Project' strategy with the Government vision on economic growth and financial advancement ensures its support and ownership of the results delivered by the Project. Particularly the co-founding of the Accelerator jointly with the Ministry of Labor and Social Affairs and the Ministry of Economy, and their presence on the Project Board will keep the Project updated on priorities of the Government, make necessary adjustments in the course of implementation, when necessary and deliver models, mechanisms and results which the Ministry will be interested to scale up nationwide.

Building on the successful experience and lessons learnt of UNDP ImpactAIM acceleration programme, the Project will expand its partnership base to work closely with different UN agencies, including exploring opportunities with UN Women and UNDP Women's Economic Empowerment programme to apply collective intelligence and expertise for maximized impact. Moreover, building on the established network of ImpactAIM's partnership with the private sector and IFIs, the Project will be able to capitalize on the available resources to gain access to different financing and investment opportunities for project beneficiaries and build new partnerships with the private sector to ensure sustainability of results and long-term impact. The existing partnerships with local and global private sector partners like Innovative Solutions and Technology Center, Girls in Tech, Women in Information Society, Enterprise Incubator Foundation, Founder Institute, Impact Hub, 500 Startups and others will catalyse the effects of the programme and will serve as a good base for ensuring further sustainability of the program. In addition, the programme will have direct access to different innovative financing mechanisms and tools developed and piloted by UNDP Armenia, ensuring that the value chain is fully closed from idea generation to prototyping and scale up. As such, the Tech4SDGs Impact Fund, established in 2019 with UNDP's support, targeting private investments in technology-driven ventures with a strong potential for social and environmental impact, as well as the ongoing partnership with ADB Ventures Facility will facilitate the funding channels for participating organizations.

## **Risks and Assumptions**

### **Major Risks (detailed in the Risk Matrix):**

Major instability of political or economic nature triggered by the escalation of the conflict in and around Nagorno-Karabakh, and in border areas, as well as natural disasters may hinder effective implementation of the project activities.

COVID-19 pandemic and related limitations on mobility, travel and possibility to hold in-person public events may hinder effective and timely implementation of the project and will negatively influence Accelerator#5 project implementation. Project risks and management responses are detailed in the Risk Matrix.

## **IV. PROJECT MANAGEMENT**

### **Cost Efficiency and Effectiveness**

The Project will conduct the procurement of goods and services in compliance with UNDP Standard Operational Procedures, which envisages acquisition of appropriate quality goods and services at the most competitive price in the market with value-for-money considerations.

The Project will optimize the costs and increase the impact mobilizing expertise and funds through synergized efforts with the projects and agencies working in the same direction in the target area (reference to Section III Partnerships).

### **Project Management**

The Project will be implemented in Direct Implementation Modality (DIM).

UNDP will ensure project accountability, transparency, effectiveness and efficiency in implementation. The Country Office will provide the following major services to the Project in accordance with UNDP rules and regulations, on the basis of direct project costing: (i) identification and recruitment of project personnel; (ii) procurement of goods and services; (iii) financial services.

UNDP will ensure financial oversight, including approval of expenditures and commissioning independent audits, monitoring and mid-term and final evaluation of progress and results. The costs directly attributable to activities to provide quality assurance, coherence and relating to development results, as well as the policy advisory services provided by the UNDP Office staff related to activities of technical and implementation nature that are essential to deliver development results will be directly charged to the project budget.

UNDP, as the Implementing Partner, will establish a Project team that will carry out the envisaged activities of the project to reach the project outputs. The project will be part of the UNDP Innovation and SDG Finance Portfolio. The project team will be managed by a Project Coordinator, who will manage the project activities and the project financial resources.



## V. RESULTS FRAMEWORK

**Intended Outcome as stated in the UNSDCF/Country Programme Results and Resource Framework:**

**2021-2025 UNCSDF OUTCOME 7:** People benefit from evidence-based, human-centric and Sustainable Development Goals-aligned policies supported by diversified sources of financing, innovation, and partnerships for sustainable development for all.

**STRATEGIC PLAN OUTCOME: OUTCOME 2:** Accelerate structural transformations for sustainable development.

**Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets:**

**Indicator 4.1.1:** Number of innovative Goals aligned mechanisms and partnerships developed

**Baseline (2020):** 10 mechanisms; 5 partnerships; **Target (2022):** 1 mechanism, 2 partnerships

**Applicable Output(s) from the UNDP Strategic Plan:**

**2021-2025 CPD Output 4.1.** New mechanism and partnerships established to support impact-driven innovation ecosystems for the Goals.

**Project title and Atlas Project Number:** Accelerator#5. National Platform for Economic Empowerment of Women 00136963/ 00127665

EXPECTED PROJECT OUTPUTS/COMPONENTS	OUTPUT INDICATORS	DATA SOURCE	BASELINE		TARGETS (by frequency of data collection)			DATA COLLECTION METHODS & RISKS
			Value	Year	Year 1 2021	Year 2 2022	FINAL	
<b>Component 1.</b> Accelerator#5. National Platform for Economic Empowerment of Women established	1.1. Availability of National Accelerator with all respective components (SDG-aligned IMM Framework, Financial flow & Sustainability, Exit Strategy etc.)	Project records ImpactAIM website and social media; UNDP website Key Ministries websites	No	2021	No	Yes	Yes	Documents Review Project Monitoring & Reporting
	1.2. Number of public events organized (Ideathon, Official Launch)	Project records ImpactAIM website and social media; UNDP website Key Ministries websites	0	2021	1	1	2	Documents Review Project Monitoring & Reporting
	1.3. Number of partnerships established with national and local partners in public and private sectors	Project records ImpactAIM website and social media; UNDP website Key Ministries websites	0	2021	0	2	2	Documents Review Project Monitoring & Reporting
	1.4. Availability of updated Employment Strategy of the Republic of Armenia Ministry of Labor and Social Affairs	Project Records MLSA records Designed Strategy	No	2021	No	Yes	Yes	Documents Review Project Monitoring & Reporting
<b>Component 2.</b> Roll-out and Implementation of Accelerator#5 via	2.1. Number of 2-tracked Accelerators implemented	Project records ImpactAIM website and social media; UNDP website Key Ministries websites	0	2021	0	1	1	Project Monitoring & Reporting

2-tracked programmatic batches	2.2. <i>Number of low-skilled female beneficiaries with upskilled/re-skilled business &amp; digital capacities, tech &amp; innovation skills, improved &amp; new knowledge on entrepreneurship with ability to participate in economy</i>	<i>Project records ImpactAIM website and social media; UNDP website Key Ministries websites</i>	0	2021	0	250	250	<i>Documents Review Project Monitoring &amp; Reporting</i>
	2.3. <i>Number of aspiring female entrepreneur-graduates of Accelerator's Entrepreneurship Track with improved business, digital &amp; impact measurement skills, and ability to participate in economy</i>	<i>Project records ImpactAIM website and social media; UNDP website Key Ministries websites</i>	0	2021	0	50	50	<i>Documents Review Project Monitoring &amp; Reporting</i>
	2.4. <i>Number of established female entrepreneur-graduates of Accelerator's Entrepreneurship Track with improved business, digital &amp; impact measurement, and ability to participate in economy</i>	<i>Project records ImpactAIM website and social media; UNDP website Key Ministries websites</i>	0	2021	0	50	50	<i>Documents Review Project Monitoring &amp; Reporting</i>

## VI. Monitoring and Evaluation

In accordance with UNDP's programming policies and procedures, the project will be monitored through the following monitoring and evaluation plans: *[Note: monitoring and evaluation plans should be adapted to project context, as needed]*

### Monitoring Plan

Monitoring Activity	Purpose	Frequency	Expected Action	Partners (if joint)	Cost (if any)
<b>Track results progress</b>	Progress data against the results indicators in the RRF will be collected through the Standard Progress Report and analysed to assess the progress of the project in achieving the agreed outputs.	Annually	Slower than expected progress will be addressed by project management.	N/A	N/A
<b>Monitor and Manage Risk</b>	Identify specific risks that may threaten achievement of intended results. Identify and monitor risk management actions using a risk log. This includes monitoring measures and plans that may have been required as per UNDP's Social and Environmental Standards. Audits will be conducted in accordance with UNDP's audit policy to manage financial risk.	Bi-annually	Risks are identified by project management and actions are taken to manage risk. The risk log is actively maintained to keep track of identified risks and actions taken.	N/A	N/A
<b>Learn</b>	Knowledge, good practices and lessons will be captured regularly, as well as actively sourced from other projects and partners and integrated back into the project.	At least annually	Relevant lessons are captured by the project team and used to inform management decisions.	N/A	N/A
<b>Annual Project Quality Assurance</b>	The quality of the project will be assessed against UNDP's quality standards to identify project strengths and weaknesses and to inform management decision making to improve the project.	Annually	Areas of strength and weakness will be reviewed by project management and used to inform decisions to improve project performance.	N/A	N/A
<b>Review and Make Course Corrections</b>	Internal review of data and evidence from all monitoring actions to inform decision making.	At least annually	Performance data, risks, lessons and quality will be discussed by the project board and used to make course corrections.	N/A	N/A
<b>Project Report</b>	A progress report will be presented to the Project Board and key stakeholders, consisting of progress data showing the results achieved against pre-defined annual targets at the output level, the annual project quality rating summary, an updated risk log with mitigation measures, and any evaluation or review reports prepared over the period.	Annually, and at the end of the project (final report)		N/A	N/A
<b>Project Review (Project Board)</b>	The project's governance mechanism (i.e., project board) will hold regular project reviews to assess the performance of the project and review the Multi-Year Work Plan to ensure realistic budgeting over the life of the project. In the project's final year, the Project Board shall hold an end-of project review to capture lessons learned and discuss opportunities for scaling up and to socialize project results and lessons learned with relevant audiences.	At least annually	Any quality concerns or slower than expected progress should be discussed by the project board and management actions agreed to address the issues identified.	N/A	N/A

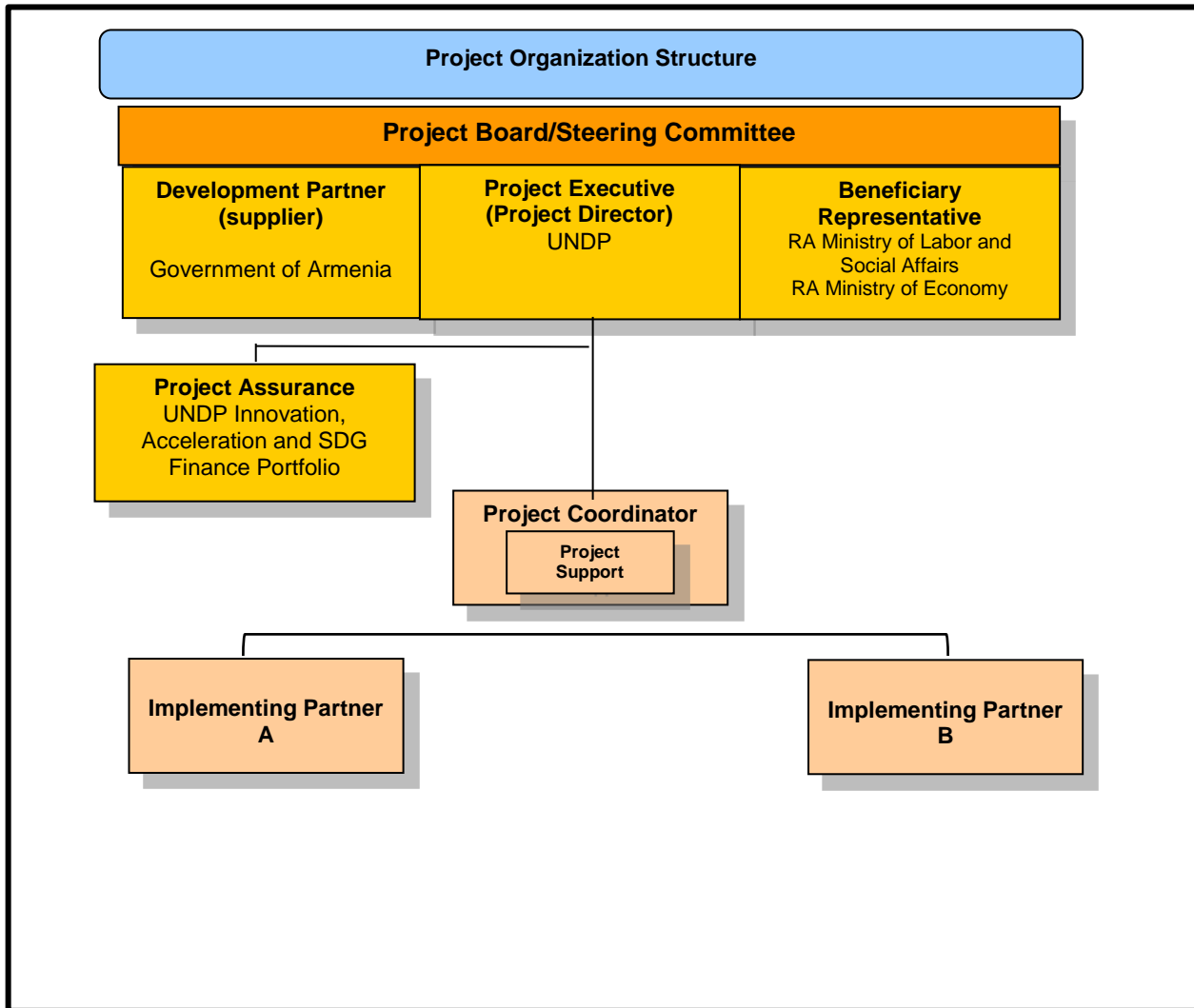
## VII. Multi-Year Work Plan

EXPECTED PROJECT OUTPUTS/COMPONENTS	PLANNED ACTIVITIES	Planned Budget by Year			RESPONSIBLE PARTY	PLANNED BUDGET		
		2021	2022	TOTAL		Funding Source	Budget Description	Amount
<i>Gender Marker – GEN3</i>								
<b>Component 1.</b> Accelerator#5. National Platform for Economic Empowerment of Women established	1.1.1 Development of detailed framework of the accelerator's portfolio-level results, impact (including against SDGs) including the design of economic indicators for entrepreneurship and employability promotion is developed.	USD 15,538	USD 158,067	USD 173,605	UNDP	UNDP & RoA GOV	72100	Contractual Services - Companies
	1.1.2 Development of the accelerator's operational maturity and sustainability model.							
	1.1.3 Development of the accelerator's sustainable financial model including mapping of the annually expected sources of funding (including from the private and development partners) and the financial investments from the Government of the Republic of Armenia.						72400	Communication & Audio-Visual
	1.1.4 Development of the accelerator's UNDP exit and Government transfer strategy /starting from 2024-25/.							
1.1.5 Implementation of the accelerator's launch Ideathon event to present the initial concept to ecosystem partners.								
1.1.6 Official public launch of the accelerator, announcement of applications for participation in acceleration batches								
1.2.1. <i>Development of the Employment Strategy of the Republic of Armenia Ministry of Labor and Social Affairs.</i>								
1.2.2. Development of efficient models (programmes) and directions, based on the Employment Strategy, to promote women employability based on the research of international and local best practices.								
1.2.3. Terms of references to implement the models (programmes) and strategic directions to promote women employability are developed								
1.2.4. Mapping of local ecosystem players involved in the provision of women employability programmes to identify possible partners per type of activity and regional scope.								
1.2.5. Development of a detailed framework of the accelerator's women employability track impact (including against SDGs), results, monitoring and evaluation, including economic indicators.								
1.2.6. Development of the accelerator's annual flow capacity and required resource plan (including financial resources).								
1.3.1 Outline of strategic areas to promote women entrepreneurship, elaboration / revision of technical terms of references (per level and industry type of SME) to involve implementing partners.							74500	Miscellaneous
1.3.2 Mapping of local ecosystem players involved in the provision of women entrepreneurship programmes to identify possible partners per type of activity and regional scope.								
1.3.3 Development of a detailed system of the accelerator's track-level (women employability) impact, its monitoring and evaluation, including the design of economic indicators for entrepreneurship and employability promotion, design of specific monitoring and evaluation criteria and indicators, SDG-aligned impact measurement indicators.							75100	Facilities and Administration (5%)
1.3.4 Development of the accelerator's annual flow capacity and required resource plan (including financial resources).								
1.3.5 Calculation of the amount of financial support to be provided by the accelerator to women entrepreneurs per scale and sector of their business and development of the financial support policy.								
1.3.6 Calculation of the financial resources necessary for the implementation of the lifetime mentorship concept, mapping of potential mentors/ preparation of relevant terms of references.								
	<b>Sub-Total for Output 1.</b>							<b>USD 173,605</b>

<b>Component 2.</b> Roll-out and Implementation of Accelerator#5 via 2-tracked programmatic batches	2.1. Pilot launch of the accelerator's women employment track for at least 250 low-skilled women participants. 2.2. Pilot launch of the accelerator's women entrepreneurship track for at least 50 aspiring and 50 established women entrepreneurs.	USD 0.00	USD 134,715	USD 134,715	UNDP	GOV	72600	Micro-Capital Grants - Other
							72400	Communication & Audio-Visual
							74500	Miscellaneous
							75100	Facilities and Administration (5%)
	<b>Sub-Total for Output 2.</b>							<b>USD 134,715</b>
<b>Component 3.</b> Project Management	3.1 Implementation, monitoring & evaluation, coordination	USD 0.00	USD 41,680	USD 41,680	UNDP	UNDP & RoA GOV	64300	DPC-Staff
							71400	Contractual Services - Individuals
							73400	Rental & Maintenance-Premises
							74500	Miscellaneous
							75100	Facilities and Administration (5%)
	<b>Sub-Total for Output 3.</b>							<b>USD 41,680</b>
<b>SUB-TOTAL</b>		<b>USD 15,538</b>	<b>USD 334,462</b>	<b>USD 350,000</b>				
<b>TOTAL</b>								<b>USD 350,000</b>

## VIII. Governance and Management Arrangements

### Management Arrangements



**The Project Board** will be the main governing body, co-chaired by UNDP and RA Ministry of Labor and Social Affairs. The Project Board will convene at least annually to provide management decisions and will have the final authority on matters requiring official review and approval, including annual work plans, budgets.

The day-to-day project management will be carried out by the Project Coordinator, who will be responsible for the efficiency and effectiveness of the project implementation. The Project Coordinator will also provide support to the organisation of Project Board. The Project Coordinator will be responsible for the proper use of funds and that the project activities are implemented in accordance with the signed project document and project work plans. UNDP Innovation, Acceleration and SDG Finance Portfolio Manager will provide quality assurance to the project.

## IX. Legal Context

This project document shall be the instrument referred to as such in Article 1 of the Standard Basic Assistance Agreement between the Government of Armenia and UNDP, signed on 8 March 1995. All references in the SBAA to “Executing Agency” shall be deemed to refer to “Implementing Partner.”

This project will be implemented by UNDP in accordance with its financial regulations, rules, practices and procedures only to the extent that they do not contravene the principles of the Financial Regulations and Rules of UNDP. Where the financial governance of an Implementing Partner does not provide the required guidance to ensure best value for money, fairness, integrity, transparency, and effective international competition, the financial governance of UNDP shall apply.

## X. Risk Management

### UNDP (DIM)

1. UNDP as the Implementing Partner will comply with the policies, procedures and practices of the United Nations Security Management System (UNSMS.)
2. UNDP as the Implementing Partner will undertake all reasonable efforts to ensure that none of the project funds are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via [http://www.un.org/sc/committees/1267/aq\\_sanctions\\_list.shtml](http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml). This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document.
3. Social and environmental sustainability will be enhanced through application of the UNDP Social and Environmental Standards (<http://www.undp.org/ses>) and related Accountability Mechanism (<http://www.undp.org/secu-srm>).
4. UNDP as the Implementing Partner will: (a) conduct project and programme-related activities in a manner consistent with the UNDP Social and Environmental Standards, (b) implement any management or mitigation plan prepared for the project or programme to comply with such standards, and (c) engage in a constructive and timely manner to address any concerns and complaints raised through the Accountability Mechanism. UNDP will seek to ensure that communities and other project stakeholders are informed of and have access to the Accountability Mechanism.
5. In the implementation of the activities under this Project Document, UNDP as the Implementing Partner will handle any sexual exploitation and abuse (“SEA”) and sexual harassment (“SH”) allegations in accordance with its regulations, rules, policies and procedures.
6. All signatories to the Project Document shall cooperate in good faith with any exercise to evaluate any programme or project-related commitments or compliance with the UNDP Social and Environmental Standards. This includes providing access to project sites, relevant personnel, information, and documentation.
7. UNDP as the Implementing Partner will ensure that the following obligations are binding on each responsible party, subcontractor and sub-recipient:
  - a. Consistent with the Article III of the SBAA *[or the Supplemental Provisions to the Project Document]*, the responsibility for the safety and security of each responsible party, subcontractor and sub-recipient and its personnel and property, and of UNDP’s property in such responsible party’s, subcontractor’s and sub-recipient’s custody, rests with such responsible party, subcontractor and sub-recipient. To this end, each responsible party, subcontractor and sub-recipient shall:
    - i. put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
    - ii. assume all risks and liabilities related to such responsible party’s, subcontractor’s and sub-recipient’s security, and the full implementation of the security plan.
  - b. UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of the responsible party’s, subcontractor’s and sub-recipient’s obligations under this Project Document.
  - c. In the performance of the activities under this Project, UNDP as the Implementing Partner shall ensure, with respect to the activities of any of its responsible parties, sub-recipients and other entities engaged under the Project, either as contractors or subcontractors, their personnel and any individuals performing

services for them, that those entities have in place adequate and proper procedures, processes and policies to prevent and/or address SEA and SH.

- d. Each responsible party, subcontractor and sub-recipient will take appropriate steps to prevent misuse of funds, fraud or corruption, by its officials, consultants, subcontractors and sub-recipients in implementing the project or programme or using the UNDP funds. It will ensure that its financial management, anti-corruption and anti-fraud policies are in place and enforced for all funding received from or through UNDP.
- e. The requirements of the following documents, then in force at the time of signature of the Project Document, apply to each responsible party, subcontractor and sub-recipient: (a) UNDP Policy on Fraud and other Corrupt Practices and (b) UNDP Office of Audit and Investigations Investigation Guidelines. Each responsible party, subcontractor and sub-recipient agrees to the requirements of the above documents, which are an integral part of this Project Document and are available online at [www.undp.org](http://www.undp.org).
- f. In the event that an investigation is required, UNDP will conduct investigations relating to any aspect of UNDP programmes and projects. Each responsible party, subcontractor and sub-recipient will provide its full cooperation, including making available personnel, relevant documentation, and granting access to its (and its consultants', subcontractors' and sub-recipients') premises, for such purposes at reasonable times and on reasonable conditions as may be required for the purpose of an investigation. Should there be a limitation in meeting this obligation, UNDP shall consult with it to find a solution.
- g. Each responsible party, subcontractor and sub-recipient will promptly inform UNDP as the Implementing Partner in case of any incidence of inappropriate use of funds, or credible allegation of fraud or corruption with due confidentiality.

Where it becomes aware that a UNDP project or activity, in whole or in part, is the focus of investigation for alleged fraud/corruption, each responsible party, subcontractor and sub-recipient will inform the UNDP Resident Representative/Head of Office, who will promptly inform UNDP's Office of Audit and Investigations (OAI). It will provide regular updates to the head of UNDP in the country and OAI of the status of, and actions relating to, such investigation.

- h. UNDP will be entitled to a refund from the responsible party, subcontractor or sub-recipient of any funds provided that have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document. Such amount may be deducted by UNDP from any payment due to the responsible party, subcontractor or sub-recipient under this or any other agreement.

Where such funds have not been refunded to UNDP, the responsible party, subcontractor or sub-recipient agrees that donors to UNDP (including the Government) whose funding is the source, in whole or in part, of the funds for the activities under this Project Document, may seek recourse to such responsible party, subcontractor or sub-recipient for the recovery of any funds determined by UNDP to have been used inappropriately, including through fraud or corruption, or otherwise paid other than in accordance with the terms and conditions of the Project Document.

Note: The term "Project Document" as used in this clause shall be deemed to include any relevant subsidiary agreement further to the Project Document, including those with responsible parties, subcontractors and sub-recipients.

- i. Each contract issued by the responsible party, subcontractor or sub-recipient in connection with this Project Document shall include a provision representing that no fees, gratuities, rebates, gifts, commissions or other payments, other than those shown in the proposal, have been given, received, or promised in connection with the selection process or in contract execution, and that the recipient of funds from it shall cooperate with any and all investigations and post-payment audits.
- j. Should UNDP refer to the relevant national authorities for appropriate legal action any alleged wrongdoing relating to the project or programme, the Government will ensure that the relevant national authorities shall actively investigate the same and take appropriate legal action against all individuals found to have participated in the wrongdoing, recover and return any recovered funds to UNDP.
- k. Each responsible party, subcontractor and sub-recipient shall ensure that all of its obligations set forth under this section entitled "Risk Management" are passed on to its subcontractors and sub-recipients and that all the clauses under this section entitled "Risk Management Standard Clauses" are adequately



reflected, *mutatis mutandis*, in all its sub-contracts or sub-agreements entered into further to this Project Document.

**VIII. ANNEXES**

**ANNEX 1. Project Quality Assurance Report**

*Q&A for design phase is completed online on UNDP Intranet, to be further approved, generated and included as Annex to ProDoc. Please, access [here](#).*

**ANNEX 2. SESP**

**ANNEX 3. RISKS MATRIX**

## Annex 2. Social and Environmental Screening (2021 SESP Template, Version 1)

## Project Information

<b>Project Information</b>	
1. Project Title	Accelerator#5. National Platform for Economic Empowerment of Women
2. Project Number	00136963/00127665
3. Location (Global/Region/Country)	Armenia
4. Project stage (Design or Implementation)	Design
5. Date	December 17, 2021

## Part A. Integrating Programming Principles to Strengthen Social and Environmental Sustainability

**QUESTION 1: How Does the Project Integrate the Programming Principles in Order to Strengthen Social and Environmental Sustainability?****Briefly describe in the space below how the project mainstreams the human rights-based approach**

In order to preserve gains across all the SDGs in the post-COVID-19 context, ensure equality, promote transparency, accountability, participation and collaboration, increase solidarity, and place the voice, rights and agency of people at the center of the Project, human rights based and participatory approaches are applied. The Project will be implemented and managed in a gender-sensitive manner, applying participatory approaches, **Leave No One Behind** and **Do No Harm Principles** to support decisions related to activity design, implementation and monitoring. This means that the Project will work to improve protection and respect for fundamental human rights across all activities and interactions with beneficiaries and other stakeholders, whilst also delivering tangible results for women and girls during implementation. To achieve this, the project set socially and gender-sensitive criteria, designed targeted components, has identified the partners, who will enable the inclusion of the most vulnerable, and will use the framework of contracts with the implementing partners and the third parties to the realization of women rights, as scoped in the Project. The Project will further map and target those at most risk of being left behind using gender analysis methods and drawing on already completed baseline and impact assessments and analysis. Where applicable, international Human Rights Norms and Standards will be integrated or mainstreamed into programme tools, solutions, and approaches. Moreover, key findings as well as proven Project approaches to women's economic empowerment and resilience will be directly provided to the Government at national, regional and local levels, through established collaboration mechanisms, namely the Project Board, where the Ministry of Labor and Social Affairs is the co-chair with a mandate to shape socio-economic policy response for labor rights. UNDP refrains from providing support for activities that may contribute to violations of a State's human rights obligations and the core international human rights treaties (UNDP Social and Environmental Standards).

**Briefly describe in the space below how the project is likely to improve gender equality and women's empowerment**

**Gender equality and women's empowerment** has been at the core of UNDP in Armenia's work for years while addressing most concerning issues and challenges at all levels, including policy, institutional, community and personal. The Project relies on UNDP's multidisciplinary approach for women empowerment with initiatives to catalyze women's entrepreneurship and employability, while also enabling a favorable environment for their engagement in economic activities. The Project's Theory of Change clearly states that gender equality/women's empowerment is one of the principal objectives and an articulated causal link chain on how programming efforts will lead to SDG5 implementation, thus scoring a **Gender Equality Marker 3 (GEN 3)**, meanwhile roles of men and women to participate in activities of the project will be equally assigned without any discrimination. The Project will also draw on vast in-house experience of implementing women's economic empowerment projects in Armenia, as well as international best practices and corporate guidelines. Promotion of gender equality and women empowerment activities and results will be monitored against a **gender-responsive results framework** and **gender disaggregated data**, as well as respective indicators of the Results framework. The Project ToC also emphasizes 3 systemic changes targeting women and girls: **State/ecosystem-level complex, gender-responsive support schemes** for women entrepreneurship and increased productivity employability; **Increased Resilience** by reducing the vulnerability of women; **More People-Centered Development and opportunities for women's decision-making** to ensure that social services are inclusive and gender-responsive and socio-economic prosperity benefits all, not least women living or working in the most challenging contexts and environments. In addition, while establishing new partnerships with leading private sector companies, focus on promoting gender equality

and women’s economic empowerment (WEPEs) principles in the private sector to enrich project implementation and sustainability will be considered. A special focus will be placed on women business leaders and entrepreneurs from all regions of Armenia, who have been disproportionately affected by the COVID-19 crisis.
<b>Briefly describe in the space below how the project mainstreams sustainability and resilience</b>
The project will work in target regions of Armenia addressing some of the root causes of economic and gender stagnation by making systemic interventions in strengthening capacities on national and local levels, empowering young women and female entrepreneurs, enhancing and promoting their leadership and entrepreneurial skills, as well as establishing network of peer support thus contributing to strengthened resilience of the target communities and vulnerable groups. UNDP uses and promotes a precautionary approach to significant social and environmental challenges and requires application of the mitigation hierarchy to first avoid potential adverse impacts to people and the environment, or where avoidance is not possible, to then minimize, mitigate, and as a last resort, offset and compensate for potential residual adverse impacts.
<b>Briefly describe in the space below how the project strengthens accountability to stakeholders</b>
The project will design a sound communication and visibility plan to ensure timely access to comprehensible information about project interventions, including related risks to all the stakeholders and beneficiaries, meanwhile the project will ensure that there is a mechanism and awareness of entry points for the stakeholders to submit grievances, complaints and concerns, as well as there is a process of addressing those complaints. Furthermore, the project will apply participatory approach for decision-making to the extent possible, where stakeholder and beneficiary voices will be reflected.

**Part B. Identifying and Managing Social and Environmental Risks**




<b>QUESTION 2: What are the Potential Social and Environmental Risks?</b> <i>Note: Complete SESP Attachment 1 before responding to Question 2.</i>	<b>QUESTION 3: What is the level of significance of the potential social and environmental risks?</b> <i>Note: Respond to Questions 4 and 5 below before proceeding to Question 5</i>			<b>QUESTION 6: Describe the assessment and management measures for each risk rated Moderate, Substantial or High</b>
<b>Risk Description (broken down by event, cause, impact)</b>	<b>Impact and Likelihood (1-5)</b>	<b>Significance (Low, Moderate, Substantial, High)</b>	<b>Comments (optional)</b>	<b>Description of assessment and management measures for risks rated as Moderate, Substantial or High</b>
Event: Contractor/Third Party Workers can be exposed to the risk of labor rights violation, damage to their health or dignity. Cause: weak enforcement and monitoring mechanisms Impact: reputational damage to UNDP	I=2 L=2	<b>Low</b>		Contractual arrangement will be in place for managing and monitoring the performance of the third parties. Both the workers and employers will be provided the information about their rights and obligations. UNDP or the implementing partner will do the due diligence to ensure that all the required conditions, including OSH requirements, are in place to provide safety and dignity, as well as full exercise of labor rights as defined by the National law and international standards. Regular monitoring and a grievance mechanism will be in place to timely detect and discontinue undesirable practices.
	<b>QUESTION 4: What is the overall project risk categorization?</b>			
		<b>Low Risk</b>	<input checked="" type="checkbox"/>	
		<b>Moderate Risk</b>	<input type="checkbox"/>	
		<b>Substantial Risk</b>	<input type="checkbox"/>	
		<b>High Risk</b>	<input type="checkbox"/>	

QUESTION 5: Based on the identified risks and risk categorization, what requirements of the SES are triggered? (check all that apply)			
Question only required for Moderate, Substantial and High Risk projects			
<b><u>Is assessment required? (check if "yes")</u></b>	<input type="checkbox"/>		<b>Status? (completed, planned)</b>
<i>if yes, indicate overall type and status</i>	<input type="checkbox"/>	Targeted assessment(s)	
	<input type="checkbox"/>	ESIA (Environmental and Social Impact Assessment)	
	<input type="checkbox"/>	SESA (Strategic Environmental and Social Assessment)	
<b><u>Are management plans required? (check if "yes")</u></b>	<input type="checkbox"/>		
<i>if yes, indicate overall type</i>	<input type="checkbox"/>	Targeted management plans (e.g. Gender Action Plan, Emergency Response Plan, Waste Management Plan, others)	
	<input type="checkbox"/>	ESMP (Environmental and Social Management Plan which may include range of targeted plans)	
	<input type="checkbox"/>	ESMF (Environmental and Social Management Framework)	
<b>Based on identified risks, which Principles/Project-level Standards triggered?</b>		<b>Comments (not required)</b>	
<b>Overarching Principle: Leave No One Behind</b>			
<b>Human Rights</b>	<input type="checkbox"/>		
<b>Gender Equality and Women's Empowerment</b>	<input type="checkbox"/>		
<b>Accountability</b>	<input type="checkbox"/>		
<b>1. Biodiversity Conservation and Sustainable Natural Resource Management</b>	<input type="checkbox"/>		
<b>2. Climate Change and Disaster Risks</b>	<input type="checkbox"/>		
<b>3. Community Health, Safety and Security</b>	<input type="checkbox"/>		
<b>4. Cultural Heritage</b>	<input type="checkbox"/>		
<b>5. Displacement and Resettlement</b>	<input type="checkbox"/>		
<b>6. Indigenous Peoples</b>	<input type="checkbox"/>		
<b>7. Labour and Working Conditions</b>	<input checked="" type="checkbox"/>		
<b>8. Pollution Prevention and Resource Efficiency</b>	<input type="checkbox"/>		

**Final Sign Off**

Final Screening at the design-stage is not complete until the following signatures are included

Signature	Date	Description

<p>QA Assessor Tatevik Koloyan</p> <p>DocuSigned by: </p> <p>C47D0FC82EF94B9...</p>	<p>23-Dec-2021</p>	<p>UNDP staff member responsible for the project, typically a UNDP Programme Officer. Final signature confirms they have "checked" to ensure that the SESP is adequately conducted.</p>
<p>QA Approver Natia Natsvlishvili</p> <p>DocuSigned by: </p> <p>C9987F31EEF2477...</p>	<p>23-Dec-2021</p>	<p>UNDP senior manager, typically the UNDP Deputy Country Director (DCD), Country Director (CD), Deputy Resident Representative (DRR), or Resident Representative (RR). The QA Approver cannot also be the QA Assessor. Final signature confirms they have "cleared" the SESP prior to submittal to the PAC.</p>
<p>PAC Chair Natia Natsvlishvili</p> <p>DocuSigned by: </p> <p>C9987F31EEF2477...</p>	<p>23-Dec-2021</p>	<p>UNDP chair of the PAC. In some cases PAC Chair may also be the QA Approver. Final signature confirms that the SESP was considered as part of the project appraisal and considered in recommendations of the PAC.</p>

## SESP Attachment 1. Social and Environmental Risk Screening Checklist

<b>Checklist Potential Social and Environmental Risks</b>		
<b>INSTRUCTIONS:</b> The risk screening checklist will assist in answering Questions 2-6 of the Screening Template. Answers to the checklist questions help to (1) identify potential risks, (2) determine the overall risk categorization of the project, and (3) determine required level of assessment and management measures. Refer to the <a href="#">SES toolkit</a> for further guidance on addressing screening questions.		
<b>Overarching Principle: Leave No One Behind</b>		<b>Answer (Yes/No)</b>
<b>Human Rights</b>		
P.1	Have local communities or individuals raised human rights concerns regarding the project (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No
P.2	Is there a risk that duty-bearers (e.g. government agencies) do not have the capacity to meet their obligations in the project?	No
P.3	Is there a risk that rights-holders (e.g. project-affected persons) do not have the capacity to claim their rights?	No
<i>Would the project potentially involve or lead to:</i>		
P.4	adverse impacts on enjoyment of the human rights (civil, political, economic, social or cultural) of the affected population and particularly of marginalized groups?	No
P.5	inequitable or discriminatory impacts on affected populations, particularly people living in poverty or marginalized or excluded individuals or groups, including persons with disabilities? <sup>43</sup>	No
P.6	restrictions in availability, quality of and/or access to resources or basic services, in particular to marginalized individuals or groups, including persons with disabilities?	No
P.7	exacerbation of conflicts among and/or the risk of violence to project-affected communities and individuals?	No
<b>Gender Equality and Women's Empowerment</b>		
P.8	Have women's groups/leaders raised gender equality concerns regarding the project, (e.g. during the stakeholder engagement process, grievance processes, public statements)?	No
<i>Would the project potentially involve or lead to:</i>		
P.9	adverse impacts on gender equality and/or the situation of women and girls?	No
P.10	reproducing discriminations against women based on gender, especially regarding participation in design and implementation or access to opportunities and benefits?	No
P.11	limitations on women's ability to use, develop and protect natural resources, taking into account different roles and positions of women and men in accessing environmental goods and services? <i>For example, activities that could lead to natural resources degradation or depletion in communities who depend on these resources for their livelihoods and well being</i>	No
P.12	exacerbation of risks of gender-based violence? <i>For example, through the influx of workers to a community, changes in community and household power dynamics, increased exposure to unsafe public places and/or transport, etc.</i>	No
<b>Sustainability and Resilience:</b> Screening questions regarding risks associated with sustainability and resilience are encompassed by the Standard-specific questions below		
<b>Accountability</b>		
<i>Would the project potentially involve or lead to:</i>		
P.13	exclusion of any potentially affected stakeholders, in particular marginalized groups and excluded individuals (including persons with disabilities), from fully participating in decisions that may affect them?	No
P.14	grievances or objections from potentially affected stakeholders?	No
P.15	risks of retaliation or reprisals against stakeholders who express concerns or grievances, or who seek to participate in or to obtain information on the project?	No

<sup>43</sup> Prohibited grounds of discrimination include race, ethnicity, sex, age, language, disability, sexual orientation, gender identity, religion, political or other opinion, national or social or geographical origin, property, birth or other status including as an indigenous person or as a member of a minority. References to "women and men" or similar is understood to include women and men, boys and girls, and other groups discriminated against based on their gender identities, such as transgender and transsexual people.

<b>Project-Level Standards</b>		
<b>Standard 1: Biodiversity Conservation and Sustainable Natural Resource Management</b>		
<i>Would the project potentially involve or lead to:</i>		
1.1	adverse impacts to habitats (e.g. modified, natural, and critical habitats) and/or ecosystems and ecosystem services? <i>For example, through habitat loss, conversion or degradation, fragmentation, hydrological changes</i>	<b>No</b>
1.2	activities within or adjacent to critical habitats and/or environmentally sensitive areas, including (but not limited to) legally protected areas (e.g. nature reserve, national park), areas proposed for protection, or recognized as such by authoritative sources and/or indigenous peoples or local communities?	<b>No</b>
1.3	changes to the use of lands and resources that may have adverse impacts on habitats, ecosystems, and/or livelihoods? (Note: if restrictions and/or limitations of access to lands would apply, refer to Standard 5)	<b>No</b>
1.4	risks to endangered species (e.g. reduction, encroachment on habitat)?	<b>No</b>
1.5	exacerbation of illegal wildlife trade?	<b>No</b>
1.6	introduction of invasive alien species?	<b>No</b>
1.7	adverse impacts on soils?	<b>No</b>
1.8	harvesting of natural forests, plantation development, or reforestation?	<b>No</b>
1.9	significant agricultural production?	<b>No</b>
1.10	animal husbandry or harvesting of fish populations or other aquatic species?	<b>No</b>
1.11	significant extraction, diversion or containment of surface or ground water? <i>For example, construction of dams, reservoirs, river basin developments, groundwater extraction</i>	<b>No</b>
1.12	handling or utilization of genetically modified organisms/living modified organisms? <sup>44</sup>	<b>No</b>
1.13	utilization of genetic resources? (e.g. collection and/or harvesting, commercial development) <sup>45</sup>	<b>No</b>
1.14	adverse transboundary or global environmental concerns?	<b>No</b>
<b>Standard 2: Climate Change and Disaster Risks</b>		
<i>Would the project potentially involve or lead to:</i>		
2.1	areas subject to hazards such as earthquakes, floods, landslides, severe winds, storm surges, tsunami or volcanic eruptions?	<b>No</b>
2.2	outputs and outcomes sensitive or vulnerable to potential impacts of climate change or disasters? <i>For example, through increased precipitation, drought, temperature, salinity, extreme events, earthquakes</i>	<b>No</b>
2.3	increases in vulnerability to climate change impacts or disaster risks now or in the future (also known as maladaptive or negative coping practices)? <i>For example, changes to land use planning may encourage further development of floodplains, potentially increasing the population's vulnerability to climate change, specifically flooding</i>	<b>No</b>
2.4	increases of greenhouse gas emissions, black carbon emissions or other drivers of climate change?	<b>No</b>
<b>Standard 3: Community Health, Safety and Security</b>		
<i>Would the project potentially involve or lead to:</i>		
3.1	construction and/or infrastructure development (e.g. roads, buildings, dams)? (Note: the GEF does not finance projects that would involve the construction or rehabilitation of large or complex dams)	<b>No</b>
3.2	air pollution, noise, vibration, traffic, injuries, physical hazards, poor surface water quality due to runoff, erosion, sanitation?	<b>No</b>
3.3	harm or losses due to failure of structural elements of the project (e.g. collapse of buildings or infrastructure)?	<b>No</b>

<sup>44</sup> See the [Convention on Biological Diversity](#) and its [Cartagena Protocol on Biosafety](#).

<sup>45</sup> See the [Convention on Biological Diversity](#) and its [Nagoya Protocol](#) on access and benefit sharing from use of genetic resources.



3.4	risks of water-borne or other vector-borne diseases (e.g. temporary breeding habitats), communicable and noncommunicable diseases, nutritional disorders, mental health?	No
3.5	transport, storage, and use and/or disposal of hazardous or dangerous materials (e.g. explosives, fuel and other chemicals during construction and operation)?	No
3.6	adverse impacts on ecosystems and ecosystem services relevant to communities' health (e.g. food, surface water purification, natural buffers from flooding)?	No
3.7	influx of project workers to project areas?	No
3.8	engagement of security personnel to protect facilities and property or to support project activities?	No
<b>Standard 4: Cultural Heritage</b>		
<i>Would the project potentially involve or lead to:</i>		
4.1	activities adjacent to or within a Cultural Heritage site?	No
4.2	significant excavations, demolitions, movement of earth, flooding or other environmental changes?	No
4.3	adverse impacts to sites, structures, or objects with historical, cultural, artistic, traditional or religious values or intangible forms of culture (e.g. knowledge, innovations, practices)? (Note: projects intended to protect and conserve Cultural Heritage may also have inadvertent adverse impacts)	No
4.4	alterations to landscapes and natural features with cultural significance?	No
4.5	utilization of tangible and/or intangible forms (e.g. practices, traditional knowledge) of Cultural Heritage for commercial or other purposes?	No
<b>Standard 5: Displacement and Resettlement</b>		
<i>Would the project potentially involve or lead to:</i>		
5.1	temporary or permanent and full or partial physical displacement (including people without legally recognizable claims to land)?	No
5.2	economic displacement (e.g. loss of assets or access to resources due to land acquisition or access restrictions – even in the absence of physical relocation)?	No
5.3	risk of forced evictions? <sup>46</sup>	
5.4	impacts on or changes to land tenure arrangements and/or community based property rights/customary rights to land, territories and/or resources?	No
<b>Standard 6: Indigenous Peoples</b>		
<i>Would the project potentially involve or lead to:</i>		
6.1	areas where indigenous peoples are present (including project area of influence)?	No
6.2	activities located on lands and territories claimed by indigenous peoples?	No
6.3	impacts (positive or negative) to the human rights, lands, natural resources, territories, and traditional livelihoods of indigenous peoples (regardless of whether indigenous peoples possess the legal titles to such areas, whether the project is located within or outside of the lands and territories inhabited by the affected peoples, or whether the indigenous peoples are recognized as indigenous peoples by the country in question)?  <i>If the answer to screening question 6.3 is "yes", then the potential risk impacts are considered significant and the project would be categorized as either Substantial Risk or High Risk</i>	No
6.4	the absence of culturally appropriate consultations carried out with the objective of achieving FPIC on matters that may affect the rights and interests, lands, resources, territories and traditional livelihoods of the indigenous peoples concerned?	No

<sup>46</sup> Forced eviction is defined here as the permanent or temporary removal against their will of individuals, families or communities from the homes and/or land which they occupy, without the provision of, and access to, appropriate forms of legal or other protection. Forced evictions constitute gross violations of a range of internationally recognized human rights.

6.5	the utilization and/or commercial development of natural resources on lands and territories claimed by indigenous peoples?	No
6.6	forced eviction or the whole or partial physical or economic displacement of indigenous peoples, including through access restrictions to lands, territories, and resources? <i>Consider, and where appropriate ensure, consistency with the answers under Standard 5 above</i>	No
6.7	adverse impacts on the development priorities of indigenous peoples as defined by them?	No
6.8	risks to the physical and cultural survival of indigenous peoples?	No
6.9	impacts on the Cultural Heritage of indigenous peoples, including through the commercialization or use of their traditional knowledge and practices? <i>Consider, and where appropriate ensure, consistency with the answers under Standard 4 above.</i>	No
<b>Standard 7: Labour and Working Conditions</b>		
<i>Would the project potentially involve or lead to: (note: applies to project and contractor workers)</i>		
7.1	working conditions that do not meet national labour laws and international commitments?	No
7.2	working conditions that may deny freedom of association and collective bargaining?	No
7.3	use of child labour?	No
7.4	use of forced labour?	No
7.5	discriminatory working conditions and/or lack of equal opportunity?	No
7.6	occupational health and safety risks due to physical, chemical, biological and psychosocial hazards (including violence and harassment) throughout the project life-cycle?	No
<b>Standard 8: Pollution Prevention and Resource Efficiency</b>		
<i>Would the project potentially involve or lead to:</i>		
8.1	the release of pollutants to the environment due to routine or non-routine circumstances with the potential for adverse local, regional, and/or transboundary impacts?	No
8.2	the generation of waste (both hazardous and non-hazardous)?	No
8.3	the manufacture, trade, release, and/or use of hazardous materials and/or chemicals?	No
8.4	the use of chemicals or materials subject to international bans or phase-outs? <i>For example, DDT, PCBs and other chemicals listed in international conventions such as the <a href="#">Montreal Protocol</a>, <a href="#">Minamata Convention</a>, <a href="#">Basel Convention</a>, <a href="#">Rotterdam Convention</a>, <a href="#">Stockholm Convention</a></i>	No
8.5	the application of pesticides that may have a negative effect on the environment or human health?	No
8.6	significant consumption of raw materials, energy, and/or water?	No

## ANNEX 3. RISK MATRIX

#	Description	Date Identified	Type	Impact & Probability	Countermeasures / Mngt response	Owner
1.	Internal political instability in the country leading to the change of key Government counterparts and Government priorities around the project	November 22, 2021	Political	This will cause instability and cancel the current policy frameworks and the administrative setup needed for the project implementation.  P = 3 I = 2	The Project will revisit its implementation strategy and while the principles will remain intact, the mechanisms may change.  Enhanced and continuous negotiations with key governmental partners for continuity of collaboration via design of new models for sustainability and new partnerships (donors, investment funds, angels etc.).	Project Coordinator
2.	Worsening of COVID-19 outbreak situation and introduction of lockdown measures in the country	November 22, 2021	Operational	The project may encounter issues on operational level (organization of planned meetings, events), financial (delayed delivery projections), as well as strategic (government's strategic priorities may change for certain period of time) P = 3 I = 2	Reprogrammed workplan with certain deviations from initial timescale may be introduced	Project Coordinator
3.	Limited/no further funding for the National Accelerator platform	November 22, 2021	Strategic	This will cause cease of scale-up activities and will not create ecosystem for the continuation and further build up.  P = 2 I = 3	Design of professional resource mobilization mechanisms for continuous impact focused KPI driven fundraising.  Developing partnerships with ecosystem stakeholders (donors, investment funds, angels etc.).	Project Coordinator