



R2D Syunik: Recovery, Resilience, Development for Syunik

Armenia

ADC Contract Number 6553-00/2022

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**Co-funded by
the European Union**

Implemented by



**Austrian
Development
Agency**



1. EXECUTIVE SUMMARY

This Annual Report covers the first year of the R2D Syunik project. The first year of the Action has been dedicated to the inception phase of the Action. The Recovery, Resilience, Development for Syunik project (“R2D Syunik” or “the Action”) is co-financed by the European Union and the Austrian Development Cooperation. The Action is implemented by the Austrian Development Agency.

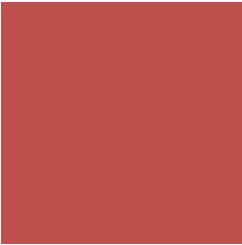
No outcomes were expected to be achieved during this reporting period, i.e. the inception phase of the project implementation.

Based on the project outline, the focus was on mobilization of resources, including the personnel and project offices, communication and visibility, and initiation of activities that would serve as a solid basis for the detailed design of interventions targeting the project beneficiaries in the Syunik region and therefore for delivering outcomes at further stages of implementation (e.g., analyses and assessments).

These activities included:

- Staffing the Project Management Team (80% in place),
- Opening and equipping two project offices in Yerevan and Kapan (Syunik),
- Establishing of internal administrative procedures,
- Development and approval of the Communications Strategy,
- Design and production of visibility materials,
- Establishing the presence of the project in social media – as above,
- Establishing of working contacts with the project stakeholders and potential partners,
- Conducting market system analysis, including EGSIA, capacity development needs and baseline study (Outcome 1) – in progress,
- Conducting needs assessment for small infrastructure projects among municipalities in Syunik (Outcome 2),
- Conducting capacity development needs analysis as above (Outcome 2) – as above,
- Development and approval of the Resilient Syunik Team Europe Initiative Coordination Mechanism paper (Outcome 3),
- Taking over the technical function of the TEI Secretariat from the EUD, including
- Development and approval of the TEI Monitoring Framework (Outcome 3) – as above.

Project activities contributing to all the project outcomes will continue or start in 2024 and will be implemented throughout the whole implementation period of the Action. It is therefore expected that the first outputs will be delivered in the next reporting period and the relevant outcomes will be presented at later stages.



The unstable situation in the region, following the armed conflict in 2020 and the recent events in September 2023, because of which more than 100,000 refugees from Nagorno-Karabakh arrived in Armenia, including Syunik, remains the main and unchanging risk factor. Nevertheless, this risk factor remains unchanged compared to the assessment made at the project preparation stage/December 2022. The needs of refugees and internally displaced population are/will be considered while designing the criteria within financial support mechanisms offered under both Outcome 1 and Outcome 2.

It turned out to be a challenge to recruit candidates with the desired/required qualifications and experience for some positions in the Project Management Team (three vacancies were re-advertised). This is especially true for employees of the local office in Kapan. Currently, most of the positions (including key ones) are already filled, and the recruitment process for the rest is underway. The project team will be completed by the end of the first quarter of 2024.

No fundamental changes were made to the intervention logic (outputs and outcomes remained unchanged). Minor adjustments have been made to the definition of some deliverables and indicators to clarify and achieve unambiguous statements, and to match approved Team Europe Initiative indicators. In the case of several indicators, the baseline study showed that adequate data were not available (not examined/collected). In these cases, the corrections introduced are intended to ensure the possibility of monitoring and subsequent evaluation.

Total expenditure within the reporting period reached 3.03% of subtotal eligible costs. No payment request is submitted together with this Annual report.

In December 2023 procurement procedure for audit service (expenditure verification) was initiated. Offers from potential service providers were collected, to be evaluated in early January 2024. The service will be contracted and performed in January and February 2024.