



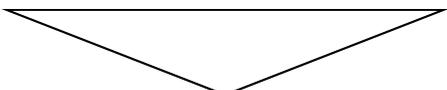
**ARMENIA TRANSITIONAL INTERIM
COUNTRY STRATEGIC PLAN
(YEAR 2018)**

Duration (starting date – end date ¹)	01 January - 31 December 2018
Total cost to WFP	USD 5,452,103
Gender and Age Marker Code * ²	1

¹ The end date cannot exceed 30 June 2019

² See [WFP Gender Marker Guide](#) for how to calculate a Gender Marker Code.

EXECUTIVE SUMMARY



Armenia is a lower-middle income, net food-importer country vulnerable to external shocks. Despite macro-economic progress and structural reforms implemented during the last decade, growth has been weak and uninclusive, and a rising state debt has strained the Government budget, hindering implementation of adequate national social safety nets and driving many Armenians to leave the country in search of economic opportunities elsewhere. Undernutrition (19 percent stunting), rising overweight and obesity (15 percent) and micronutrient deficiencies exist among children aged 6 to 59 months alongside the 15 percent of food insecure Armenians, a percentage that has increased sharply following the 2008 global economic crisis.

Armenia's Development Programme (DEV 200128) was initiated in 2010 and provided school meals to primary school children to mitigate the impact of the global crisis on vulnerable households by improving the access of poor rural children to primary education with the goal of a phased handover to Government. WFP has thus far handed over three provinces, while continuing to provide hot school meals to 60,000 primary school children (27,600 girls) in the remaining seven provinces outside of Yerevan city. Following this handover, direct cash transfers were allocated to these three provinces annually from the State budget to cover school meals provision for 21,500 school children (9,890 girls) in all 265 of their schools. Implementation of the school meals programme in Tavush will be handed over to the Government of Armenia in September 2017, followed by Shirak in 2018 and Aragatsotn in 2019. To sustain its increased responsibilities in administering, funding and implementing school meals, the Government created two new institutions for this purpose and has committed to submitting a permanent school meals policy to Parliament by mid-2017.

With the support of the United Nations system, Armenia instituted a set of high level committees to oversee the nationalisation, monitoring and achievement of the Sustainable Development Goals (SDG). WFP Armenia is supporting the Government to achieve SDG 2 and end hunger through the National Strategic Review process, which is intended to shape and integrate often disparate policies associated with food security and nutrition. Completing the Strategic Review and supporting the heightened leadership of the Government on food security and nutrition will be a key concern in 2018.

In addition to being a reliable partner efficiently implementing school meals at scale, WFP Armenia has become a well-acknowledged policy adviser, a rigorous analyst in the area of food security, nutrition and social protection and a key capacity enabler of the Armenian Government.

The transitional Interim Country Strategic Plan will focus on one strategic outcome designed to further scale-up the handover and strengthen the Government's capacity to independently and reliably deliver nutritious, locally sourced school meals in Armenia through the diversification of resources and partnerships with the international community, civil society and within the Government.

All primary school students in Armenia have reliable access to safe, adequate and nutritious food by 2023.

This strategic outcome contributes directly to WFP Strategic Result 1 and SDG 2's target on access to food (2.1). The school meals activities contribute indirectly to SDG 1 on poverty, SDG 3 on health, SDG 4 on education and SDG 5 on gender, with a particular contribution to Target 5.5 ensuring equal opportunities for leadership in public life and Target 5.7, which seeks to give women equal rights to economic resources as well as access to ownership and control over land and financial services. They concur with the priorities of the 2014-2025 Armenia Development Strategy, focusing on human capital development and improvement of social protection together with the Armenia United Nations Development Assistance Framework (2016-2020) Outcome 5, improving the access of vulnerable populations to basic education and social protection services. The design of the handover process, meant to transfer all facets of the national school meals system to the Government by 2023, supports the capacity strengthening component of SDG 17. To achieve this strategic outcome, WFP will continue to establish strategic partnerships, with a particular focus on the Rome-based agencies.

1. COUNTRY ANALYSIS

1.1. COUNTRY CONTEXT

The Government of Armenia has gone through a particularly volatile period over the past year, with the current Prime Minister taking office in September 2016 and assigning a new cabinet. Parliamentary elections took place in April 2017, and the current Government will continue its ambitious programme of purposeful economic reform, which ultimately seeks to drive development goals through strong macroeconomic growth.

Armenia is characterized by widening disparities in wealth and income that led to a serious socioeconomic divide between regions. Urban and rural areas have very different vulnerability profiles. Rural areas and urban areas outside of Yerevan are generally worse off. Armenia's weak labour market and dilapidated infrastructure triggers overwhelmingly male-dominant emigration, where some 35,000 Armenians migrate annually for seasonal labour, severely impacting the demographic composition of the population.³ Remittances made up 17.9 percent of gross domestic product (GDP) in 2014, upon which 40 percent of Armenia's poor and very poor rely for their basic income.⁴ Reducing emigration is recognized officially as a priority of national security and the key to resolving this demographic challenge is addressing the unemployment rate of 18.5 percent, which reaches as high as 26.4 percent among youth and 19.5 percent among women.⁵

Armenia ranks 84 out of 188 in the 2015 Human Development Index (HDI) and 61 out of 155 on the Gender Inequality Index. The creation of productive employment opportunities has been very limited and persisting gender-based disparities further restrict the opportunities for women to access economic resources, severely impeding Armenia's socio-economic development.⁶

³ NSS and IOM, 2014. Report on Household Survey on Migration in Armenia. The report mentions that up to 35,000 people are emigrating annually from Armenia in the period 2007 to 2013. Of those emigrants, 82.1 percent were males and 17.9 percent females.

https://publications.iom.int/system/files/pdf/household_survey_eng.pdf

⁴ Comprehensive Food Security, Vulnerability and Nutrition Analysis (CFSVNA), p. 38

⁵ Statistical Yearbook of Armenia, 2016: <http://armstat.am/file/doc/99499388.pdf>

⁶ Klasen, Stephan. 1999. Does gender inequality reduce growth and development: evidence from cross-country regressions?. Washington, D.C.: The World Bank.

Over the last five years, Armenia has made some limited gains in gender equality. Government policy has evolved from measures aimed at addressing specific women's issues to a more comprehensive view of gender disparities. Although the country scored consistently high in equal access to education and positive health outcomes for women, this did not translate into measurable progress in women's political empowerment and greater access to economic opportunities. While women comprise 57 percent of those with higher education, according to official statistics, the unemployment rate for economically active women is 1.6 times higher than for men.⁷

Concurrently, gender stereotypes negatively impact men as they are solely responsible for their families' financial support. Households headed by women are more likely to suffer from poverty as compared to households headed by men (32.1 percent versus 28.9 percent).⁸ Although women and men have equal rights to ownership and use of land in Armenia, in practice, women are far less likely to be the registered property owner. This is in part due to the allocation of land to the (generally male) head of household following the privatization of land ownership by the Armenian Government in 1991. Further to this, women's earning power is less than men's, restricting their opportunities to independently purchase property. However, with increasing labour migration among Armenian males, women often hold responsibility for managing the land. Despite strong paternalistic social norms, women now make up over 28 percent of rural household heads.

Aggravating these factors, Armenia is exposed to multiple man-made and natural risks: 28 percent of households are at risk of becoming food insecure if affected by any shock. Human-induced shocks, including price volatility, industrial accidents, geopolitical tensions over Nagorno Karabakh, fluctuations in trade, foreign exchange or remittance flows are all potential destabilizers. Armenia is also the most vulnerable country in the region to natural disasters. While seismic events are likely to cause the biggest economic impact, less severe, more frequent natural shocks have a direct impact on the country's productivity and food security. These include hailstorms, frost, flooding, land or mudslides and drought.

1.2. PROGRESS TOWARDS SDG 2

➤ *Progress on SDG 2 targets⁹*

Access to food

Food insecurity rose sharply in the aftermath of the 2008 global economic crisis and remains at 15 percent. Nearly a third of households are vulnerable to food insecurity in the event of a shock. Concurrently, the share of food-secure people has been increasing steadily. The regional distribution of food insecurity shows that prevalence is the highest in Yerevan (18.4 percent), Shirak (17.4 percent) and Lori (16.6 percent), but is greater in urban areas outside of Yerevan province than in rural areas.¹⁰

Food-insecure households rely more on unstable income sources, remittances and pensions, often have more unemployed family members and own fewer productive assets. Food purchases

⁷ Women and Men in Armenia Statistical booklet, Yerevan 2015.

http://www.armstat.am/file/article/kanajq_ev_txamardik.pdf

⁸ National Statistical Service of the Republic of Armenia, "Social Snapshot and Poverty in Armenia", 2016.

⁹ In Armenia, no SADD are available on food availability and access. WFP jointly with FAO, UNICEF and UNFPA are advocating for it.

¹⁰ NSS, WFP and UNICEF: Armenia Comprehensive Food Security, Vulnerability and Nutrition Analysis 2016

make up a higher share of household expenses but those homes consume a poorer diet and fewer iron-rich foods. These families invest less in education and reach lower levels of schooling. Poverty and food insecurity are closely correlated, with some provinces—Shirak, Lori and Kotayk—being particularly affected by both. Multidimensional poverty analysis shows an uneven pace of growth and development, with many people experiencing overlapping deprivations in education, labour and health.¹¹

Nutrition¹²

Armenia faces a double burden of malnutrition, with concerning levels of stunting and worrying trends of increasing overweight in children aged 6 to 59 months. In 2014, stunting among children aged 6 to 59 months was almost 20 percent (19.1 percent boys and 19.8 percent for girls)¹³, and has been gradually rising since 2000.¹⁴ This increase is accounted for largely in urban areas outside of Yerevan. Stunting rates in Lori (30.6 percent) and Shirak (28.4 percent) are particularly alarming, especially as they are coupled with some of the nation’s highest incidences of food insecurity and poverty. The prevalence of overweight children aged 6 to 59 months stands nationally at 14.8 percent (15 percent for boys and 14.6 percent for girls)¹⁵. Although both stunting and overweight have been decreasing among rural children, they have been rising in urban areas outside of Yerevan. Child stunting is significantly linked to household poverty, poor food consumption, poor care and infant and young child feeding (IYCF) practices, and lower maternal education, though the prevalence of overweight is identical across poor and rich households.¹⁶

Iron-deficiency anaemia is a public health concern as it reaches moderate levels for children aged 6 to 59 months and women of reproductive age.¹⁷ Low dietary availability of iron in most household diets underscores inadequate access to food but even more so inadequate utilisation of iron-rich foods that points to a lack of awareness and traditional eating habits; anaemia was found to be a concern across households with both higher-income and high levels of education, and poorer households with more limited access to iron-rich foods such as meat.¹⁸

Smallholder Farmer Productivity and Income

Agriculture contributes to 25 percent of GDP, employs 35 percent of the total labour force and 45 percent of the female workforce.¹⁹ Although smallholder farmers produce over 97 percent of agricultural output, they are challenged by low productivity induced by small, fragmented plots of land, low levels of mechanization, dilapidated infrastructure, and weak post-harvest practices inducing high losses. Small farmers have limited knowledge about and access to

¹¹ OPHI Country Briefing December 2016: Armenia Global Multidimensional Poverty Index http://www.dataforall.org/dashboard/ophi/index.php/mpj/download_brief_files/ARM

¹² The nutrition related SDG target refers principally to the 2012 World Health Assembly Goals: 40% reduction of the global number of children under 5 who are stunted by 2025; and reducing and maintaining childhood wasting to less than 5%.

¹³ NSS, 2014. ILCS.

¹⁴ WHO classifies the severity of stunting prevalence as: low <20%, medium 20-29%, high 30-39% and very high >40%.

¹⁵ NSS, 2014. ILCS.

¹⁶ CFSVNA 2016.

¹⁷ 2005 DHS data.

¹⁸ CFSVNA 2016.

¹⁹ The latest agricultural statistics available in April 2016 from the National Statistical Services (NSS) of Armenia (<http://www.armstat.am>) are for the year 2014.

markets. Value chains are deficient and food safety remains a serious concern. Despite the existence of a Food Safety Agency, maintaining quality standards of food products continue to challenge the agricultural sector and limit exports, especially to European markets where regulation is more stringent.

Sustainable Food Systems and Resilient Agricultural Practices

A large number of farmers involved in subsistence and semi-subsistence farming are frequently exposed to a wide range of market constraints along the value chain. Small-scale farmers face low and fluctuating commodity prices, inability to access markets despite sufficient demand, long distances to markets, limited means of transportation, and lack of access to agro-processing. Underlying reasons include poor quality of produce due to poor production and post-harvest practices, lack of productive assets and inadequate information related to production and marketing. Women smallholders are disproportionately affected by such issues due to their limited access to productive resources, which hinders their ability to create their own social and economic capital.

Climate change and extreme weather have a significant impact on Armenian agriculture, with small farmers, and especially poor women farmers, disproportionately bearing the consequences due to poor or no infrastructure and assets, low or no access to credit, and unavailability of crop insurance. The most serious problems in the agriculture sector are the loss of water due to inefficient water harvesting and irrigation practices, soil erosion and degradation, and inappropriate cultivation practices. Between hailstorms, frost, floods, landslides, mudslides, and drought, Armenia loses between USD 15 to 20 million per year.²⁰ Due to climate change and environmental degradation, principally experienced in terms of lower water availability, annual yields are likely to fall between 8 and 14 percent on average, and up to 22 percent in some areas.²¹

➤ *Macro-economic environment*

Armenia is a lower middle income, landlocked, net food-importer country. Despite macro-economic progress and structural reforms implemented during the last decade, a rising state debt and stagnant economic growth strain the Government budget and hinder the implementation of needed reforms and comprehensive national social safety nets. The latest economic outlook of the International Monetary Fund forecasted 2.9 percent GDP growth in 2017 and 2018 with a persisting high risk of volatility.²² Investments in the education and health sectors have shrunk to 2.2 and 1.5 percent of GDP respectively. Due to its heavy reliance on external economies, the global economic crises reversed much of the progress Armenia had made. While the economy has since partially recovered, recent growth has not been inclusive and poverty remains above the pre-2009 level, with 29.8 percent of the population living below the poverty line, which raises concerns of increasing and widespread food insecurity. The Northern provinces face very high poverty rates ranging from 35 to 45 percent while over 34 percent of the urban population living outside Yerevan is poor.²³

➤ *Key cross-sectoral linkages*²⁴

²⁰ World Bank, 2014 Reducing the Vulnerability of Armenia's Agricultural Systems to Climatic Change.

²¹ CFSVNA, 2016.

²² World Economic Outlook, 2017 April: <http://www.imf.org/en/Publications/WEO/Issues/2017/04/04/world-economic-outlook-april-2017>

²³ NSS RA & World Bank, 2016.

²⁴ All data in this section is taken from Armenia's 2015 National Progress Report on the Millennium Development Goals, which can be accessed at: http://un.am/up/library/MDG%20NPR_15_eng.pdf

Despite major losses in economic and human development experienced after the financial crisis and the recent economic downturn in the Russian Federation, Armenia's single largest trading partner, Armenia has made a partial recovery across many of these indicators. However, returning to its pre-2008 status and making further significant gains to meet the SDG targets would require focused attention on increasing equitable growth. The gap between the richest and poorest segments of society is increasing. Despite a positive economic outlook and a pro-business government programme, many education and health indicators are worsening, especially for the poor and extremely poor. Considering the prevalence of child stunting, undernourishment, overweight, and iron deficiency, the experience of poverty in Armenia clearly extends beyond the economic dimension.

Despite gender parity in enrolment rates from primary to higher education and the fact that girls tend to stay within the education system for a greater number of years than boys, there is still a weak level of representation of women in decision-making in political, economic and public life. While enrolment in primary education is mandatory and attendance rates are high, the dropout rate in 2013 reached an alarming six percent. In 2013, enrolment rates in basic education (grade 1-9) for students from non-poor households was 93 percent, compared to 89 percent among poor households, and 87 percent among extremely poor households. Further, total enrolment in high school dropped from 84.4 percent to 72.4 percent between 2010 and 2013. About 14 percent of youth aged 15-17 years do not continue their secondary education.

These trends indicate that poorer households are less educated, even at a basic level. This is partly due to economic incentives, where children from poor families are more likely to seek jobs at an early age to contribute toward the household income. Incentives to continue education are low, especially when consumption needs are immediate and jobs requiring advanced education are few. There are also extreme disparities in school size and infrastructure between districts. Many schools in sparsely populated villages have only a handful of students, insufficient water, sanitation and hygiene (WASH) facilities and poor infrastructure. The Government of Armenia has a vested geopolitical interest in maintaining remote communities along its border with Azerbaijan, even where relocation or social services' clustering may improve their efficiency. This situation is partly reflective of low government investment in education, one of the lowest among the Organisation for Economic Co-operation and Development (OECD) countries. Public education funding is 1.7 times lower than other Eastern Europe and Central Asian countries, and almost half the level of European Union (EU) countries.

Low investment in social sectors extends to health and social protection. While existing social protection investments have had a significant effect on poverty reduction, especially the unconditional Family Benefits Programme, it is estimated that the additional resources required to bridge the poverty gap would equal at least two percent of GDP. This estimation does not take into account their potential impact if efficiency, design and targeting factors were improved. These investments would require a commensurate effort to strengthen the capacity of social institutions and their staff. Several thematic studies also demonstrate that gender inequalities in education and employment reduce livelihoods and development, with considerable impact on economic growth.²⁵

1.3. HUNGER GAPS AND CHALLENGES

1) *Segregation of functional areas* may hamper coordination between line ministries and development actors around cross-sectoral themes. Considering the focus of the current

²⁵ Klasen, Stephan. 1999. "Does gender inequality reduce growth and development: evidence from cross-country regressions?" Washington, D.C.: The World Bank.

Government on large-scale commercial and investment growth, there is an increasing risk that overall economic growth will be further distanced from the nation's most vulnerable and underserved social strata unless purposeful, targeted efforts are made to improve equity. Whereas the Government's functions to achieve zero hunger lie across various ministries, the Ministry of Agriculture remains the primary actor for food security. A recent food security assessment²⁶ highlighted the importance of deepening coordination among actors to foster a comprehensive approach toward all dimensions of food security. Armenia's main focus is on food availability, while access, utilization, and stability considerations are often undermined or not considered holistically. There is a national gap in coordination on food security and nutrition. Though a Food Security National Council reporting to the Cabinet of the Prime Minister theoretically exists, this platform was never activated.

2) Nationally, the *early identification of stunting* is weak, as is knowledge of stunting prevention and its lifelong effects. While stunting occurrence is largely concentrated among both rural and urban poor, lack of public awareness on the causes of overweight and anaemia is widespread, regardless of economic status. This points to a lack of systematic education on nutrition and healthy dietary habits. Infant and Young Child Feeding (IYCF) practices are underdeveloped, with less than half of infants under the age of six months being exclusively breastfed despite official guidance from the Ministry of Health since 2010. Further, the Armenia Demographic and Health Survey (DHS) found that only 24 percent of children aged 6 to 24 months were being fed a minimum acceptable diet, dropping to a dismal 13 percent between the sixth and eighth month of life.²⁷

3) *Regional disparities*. Despite rural areas hosting the majority of the poor in Armenia, vulnerability and disparity in urban areas outside of Yerevan are rising. While Yerevan benefits from connectivity and regional economic opportunities, other urban areas suffer from relative remoteness, lack of livelihood options and lower levels of education. Chronic child malnutrition, both stunting and overweight, are significantly higher in urban areas outside Yerevan, although food insecurity is lower than the national average.²⁸ This suggests that while the urban poor may have access to staples, nutrient rich foods are either too expensive, unavailable because of incapacity to undertake subsistence farming, or eating habits are underdeveloped; indeed likely a combination of all three factors.

4) There is *limited investment in employment opportunities, particularly for youth and women*. Despite a high level of general education in the country, there is significant disparity between the needs of the labour market and what the education system is supplying. A weak domestic economy makes Armenians more reliant on unstable sources of income, like remittances, and less resilient to natural and economic shocks. Furthermore, those sectors in which the rural poor are substantially engaged—most prominently agriculture—could benefit greatly from increases in the productivity of smallholder farmers. Across the value chain, many smallholders in Armenia lack adequate training, market access and productive assets to produce competitively for national and international markets. Complicated gender-related land and asset ownership structures further compound this already difficult situation.

5) *Low resilience* to natural shocks and extreme weather, especially in limiting post-harvest losses and waste, diminishes productivity and increases the risk of food insecurity for vulnerable

²⁶ CFSVNA 2016

²⁷ National Statistical Service [Armenia], Ministry of Health [Armenia], and ICF International. 2016. Armenia Demographic and Health Survey 2015-16: Key Indicators. Rockville, Maryland, USA: NSS, MOH, and ICF International

²⁸ CFSVNA, 2016.

households. The lack of both agricultural insurance and agricultural loans currently hampers growth of the sector, especially for small farmers who cannot afford better quality and more durable equipment and assets or sustain large seasonal losses due to adverse climatic conditions. Many very poor farmers do not possess even basic productive or community assets. Considering the significant economic losses, resilience measures are a real necessity in Armenia. Particularly required are affordable and comprehensive credit and crop insurance products, and in some areas basic productive assets.

6) *Limited evidence-base, data collection and monitoring for food security and nutrition.* While Armenia's National Statistical Service (NSS) is strong, independent and well regarded nationally, it would require additional support to collect and analyse the detailed food security and nutrition data necessary to make relevant, specific and up-to-date policies and policy adjustments. No nutrition monitoring exists outside of the DHS carried out every five years, and methodological considerations, including neutrality, limit the establishment of statistical correlations between poverty, food insecurity, nutritional status and root causes. Armenia would also benefit from systematically collecting sex and age disaggregated data (SADD). NSS should be better supported by other Government research and technical offices, civil society, and international research institutions in the collection and analysis of data. To move from a project-driven approach, the Government of Armenia and its partners would benefit greatly from comprehensive analysis at the nexus of food security, nutrition, environmental sustainability, social protection, and education.

1.4. KEY COUNTRY PRIORITIES

➤ *Government priorities*

The new Government has committed to slim down government regulation, improve the administration's efficiency, and develop cross-sectoral approaches to issues of national importance. One of the more prominent among these efforts is the creation of the Centre for Strategic Initiatives (CSI), designed to assist in the development and implementation of long- and short-term reforms in line with the Government's strategy. In 2015, the Government began a process of Territorial Administrative Reform (community clustering), consolidating small and financially weak communities into larger units and expanding local government powers, delegating them with new authorities. Another effort in recent years is the process of integrating and simplifying social service provision. In 2012, e-Pension, an electronic database, was established, which combines access to several social benefit programmes with public databases, making social sector data more accurate and decreasing the risk for corruption, overlap and duplication. E-Pension can be accessed at the newly established Integrated Social Protection Centres (ISPC) in the country, where social workers help recipients to learn about, access, apply for and manage their social benefits. While only 19 such one-stop shops have been set up to date, the Government's goal is to establish 56 nationally.

Disaster risk reduction (DRR) and climate resilience remain key priorities for the Government of Armenia as specified by the DRR National Strategy and 2016-2020 Implementation Plan. The Strategy and Plan are aligned to the Sendai Framework for Disaster Risk Reduction, recognizing the need for a holistic approach to effectively manage, reduce and prevent the impact of hazards by calling the Ministry of Emergency Situations to engage in joint actions and inter-agency cooperation with all national and international stakeholders, including WFP.

The Government developed strategic frameworks for poverty reduction and social protection, together with sector-specific policies and programmes intended to strengthen agricultural

development, and decrease malnutrition. The Armenia Development Strategy (ADS) is Armenia's flagship development policy. Poverty and inequality are key development challenges and the strategy outlines that, broadly, "economic and social policies should channel economic growth and its redistribution to the direct and indirect increase in the incomes of the poorer groups of population [sic] in a more targeted manner...".²⁹ The ADS prioritizes agriculture as a key economic sector, especially as a driver of balanced regional development through the retail food value chain and acknowledging that agriculture accounts for 80 percent of rural sector employment. The dual focus of agricultural development envisions the attainment of stable food security through production (self-sufficiency) and poverty reduction (increasing competitiveness of smallholders in the food value chain).

The draft sectoral Strategy for Sustainable Agricultural and Rural Development (SSARD) 2016-2025 explicitly envisions ensuring a "high level of food security in the country, self-sufficiency of staple food, reduction of rural poverty and migration", with a focus on increasing competitiveness of locally produced food, promotion of food exports, and increasing self-sufficiency of essential food products³⁰ up to 85 percent compared to the current 65 percent. Another activity area outlines the elaboration of a nutrition strategy for children of early age in the food security context (to be implemented in collaboration with the Ministry of Health). Importantly, the strategy denotes two activity areas towards increasing awareness of the enhancement of women's capacities to engage in agriculture and their role in food security.

The National Strategy on Child Nutrition 2014-2020 formulates the vision to target malnutrition among children. A strategic plan on promoting healthy lifestyles, approved in 2014, aims to introduce legislative and structural mechanisms promoting healthy lifestyles and reducing non-communicable diseases. The plan sets out the goal of a seven percent reduction in overweight and obesity by 2020. The draft law on the Armenia Education Development State Programme 2017-2025 proposes the continuation of the "school food programme", noting that human capital should be developed in part by enhancing the scope, quality and accessibility of general education and by creating equal opportunities for children within vulnerable groups. In August 2013, the Government approved a sustainable school feeding strategy that guided the initial development of school meals and the handover of the national programme from WFP. With WFP's support, plans are under way to replace the strategy with a policy passed by Parliament and ultimately funded, administered and monitored through newly created institutions.

Armenia ratified the Convention on Elimination of All Forms of Discrimination against Women in 1993 and its Optional Protocol in 2006, formally applying gender equality. The Government recognized the promotion of gender equality as a priority and embedded it in its 2008-2012 programme. In 2010, the Government adopted the Gender Policy Concept Paper, which serves as a basis for gender sensitive policy-making in the country. In 2011, standing committees on gender issues were established in the offices of all regional governors and in the city of Yerevan. While gender mainstreaming remains an objective of numerous Government policies, its enforcement remains challenging.

In mid-2016, the Office of the Prime Minister, in collaboration with the United Nations Resident Coordinator, completed a roadmap to nationalize all SDGs, which was formally adopted in early 2017. The roadmap calls for national consultations around four clusters of SDGs³¹ to ensure

²⁹ Government of Armenia, Armenia Development Strategy 2014-2025.

https://eeas.europa.eu/sites/eeas/files/armenia_development_strategy_for_2014-2025.pdf.

³⁰ Essential food products include wheat, potatoes, vegetables, vegetable and animal fat, sugar, milk, meat, and eggs according to the 2015-2025 Republic of Armenia Strategy for Sustainable and Rural Development.

³¹ The four SDG sub-groups are: Social (SDG Goals 1, 2, 3, 17), Economic (Goals 7, 8, 9, 11, 12, 17), Environmental (Goals 6, 13, 14, 15, 17) and Legal & Democratic Equality (Goals 4, 5, 10, 16, 17).

purposeful alignment with national policies. To lead this process, the roadmap identified the National Council for Sustainable Development (NCSD), a body chaired directly by the Prime Minister, and composed of key Ministers and heads of civil society organizations. Functioning as a consultative body for the NCSD, an Inter-Ministerial Working Group on SDGs was created to ensure working-level coordination between the United Nations RC and the Government of Armenia. The working group initiated SDG sub-groupings chaired by relevant ministries. Given the tight six-month timeline for nationalizing all SDGs, this mechanism will likely result only in overall target-setting, translating SDG targets into high-level national policies and timeframes. SDG 2 is grouped together with SDGs 1, 3 and 17 in the Social Sub-Group.

➤ *United Nations and other partners*

The United Nations Development Assistance Framework (UNDAF) for Armenia structures a comprehensive set of projects designed to support the Government on many of its policies, programmes and initiatives. WFP's work in-country contributes directly to the social services and inclusion thematic area of Armenia's UNDAF 2016-2020.³² Although the UNDAF embraces a wide range of issues, donors place paramount emphasis on democracy though good governance and human rights. WFP, together with United Nations partners, continues to advocate strongly against gender discrimination and for gender equality.

The European Neighbourhood Programme for Agriculture and Rural Development (ENPARD) aims to establish agricultural producer groups in rural areas and engage them effectively in the development of improved value chains. United Nations Children's Fund (UNICEF) supports the development and capacity strengthening of ISPCs, promotes improved IYCF practices, and supports nutrition policy across the first 1,000 days. The United Nations Development Programme (UNDP) has spearheaded support to the Government on DRR and resilience building. The Ministry of Agriculture has initiated a pilot agricultural insurance with the support of the German Development Bank, Kreditanstalt für Wiederaufbau (KfW), which commissioned a feasibility assessment and will support the development of a loan market for small and medium enterprises in the agriculture sector.

2. STRATEGIC IMPLICATIONS FOR WFP

2.1. WFP'S EXPERIENCE AND LESSONS LEARNED

An independent operation evaluation of the project undertaken in February 2015 provided seven strategic and operational recommendations on improving the effectiveness of the school meals programme: 1) facilitate transitioning from direct implementer towards enabler of national ownership through a well-defined handover plan; 2) rethink the school meals strategy; 3) improve gender equality impact; 4) reinforce knowledge transfer to the Government; 5) strengthen the monitoring and evaluation (M&E) system; 6) improve partnerships and; 7) invest in studies to build evidence for solid policy and programme design.

The Minister of Education and Science agreed on a full handover of school meals by 2023, with the Government taking on a minimum of one province every year and securing the relevant resources. WFP has already handed over the programme in three provinces in 2014-2015, after which USD 1.3 million was allocated annually from the State budget to schools for procuring food and managing the programme. Additionally, USD 700,000 was secured for Tavush

³² UNDAF Outcome 5: By 2020, vulnerable groups have improved access to basic education and social protection services and participate in their communities.

province to be handed over to the Government administration in September 2017. The Government-led programme covers 21,500 school children (9,890 girls) in all 265 schools of these three provinces.

Since mid-2015, significant investment was placed in building evidence for informed policy and programming and for a comprehensive understanding of malnutrition and food insecurity in Armenia. WFP Armenia increased its participation in high level policy dialogues, United Nations and partners consultations, and engagement with the donor community. Advocacy efforts combined with a major scale-up of technical support and training activities for strengthening national ownership resulted in the formal establishment of the Sustainable School Feeding Foundation by the Prime Minister and its capacity strengthening arm, the Republican Training Centre.

Lessons learned from the initial hand-over revealed the need for a gradual approach with adequate forward planning and targeted capacity development activities to prevent reversing programme quality. The Government and WFP agreed on a transitional model combining a comprehensive sequence of activities to prepare for a smooth handover. In addition to introducing the cash-based transfer (CBT) modality, WFP delivers tailored training to local-level actors, improves school food preparation infrastructure, provides kitchen equipment, and mobilizes partners, including state agencies, to coordinate interventions for nutrition, hygiene and sanitation, school rehabilitation, finance and education. This successful innovative model piloted in Tavush will be replicated in other provinces.

WFP's corporate experience in CBT and its seven year experience of successfully delivering school meals in Armenia contributed to the effective introduction of CBT in Tavush, with the objective of preparing for handover to the Government's decentralized funding model while improving the children's overall micro-nutrient intake. Regional authorities and community members mentioned their preference for cash and the positive impact of this innovation, including children's improved food consumption and dietary diversity, and tangible increases in livelihoods opportunities in local agricultural production.

The preliminary gender analysis revealed the need to overcome gender stereotypes in Armenia and to shift towards integrating a gender-transformative approach to programming. Post-distribution focus group discussions reported that women kitchen staff from vulnerable households increased their confidence and self-esteem by being employed in the programme, as they realize their potential outside their homes. Parent teacher associations (PTAs) are the food management committees of the programme and are comprised of 92 percent women who regularly mobilize resources and engage both parents and communities in school meals activities. They further participate in the planning and monitoring of menu development and food preparation in the schools. At the same time, WFP is seeking to engage men further in programme interventions. This dynamic of moving both women and men out of traditional roles contributes to transforming gender roles and promoting gender equality.

2.2. OPPORTUNITIES FOR WFP

Due to its unique position at the nexus of food security, nutrition, rural development and social protection, there are clear opportunities central to WFP's mandate to support the Government in the years to come. However, due to the one year duration of the transitional Interim Country Strategic Plan (ICSP), and with current funding restricted to specific aspects of school meals implementation, programmatic expansion at this juncture will be limited, including on the gender transformative agenda.

The National Zero Hunger Strategic Review (NSR)'s completion by 2018 will stimulate the necessary partnerships to achieve SDG 2, fostering coordination among Government, donor community, United Nations agencies, civil society, private sector and the diaspora. Moreover, a smooth and comprehensive transfer of school meals implementation will provide a lasting WFP legacy and proof of its reliability as a government partner. Not only will WFP be guiding the development of school meals nationwide, it will have been instrumental in the design of a government law mandating a new national safety net, to date the only one specifically addressing simultaneously poverty, education, food security and nutrition.

Considering the clear lack of pervasive knowledge on nutrition in the country, among both richer and poorer strata of society alike, WFP has an opportunity to lay the foundation for a deeper understanding of nutrition within the broad community of people connected with Armenia's primary schools. During this transitional one-year period, WFP can build in to the transition model a transfer of capacity on what makes school meal composition effective as a driver for the elimination of malnutrition. This transfer of knowledge must extend from the national policy level down to the ability of kitchen staff and teachers, to begin to educate the children on how to make healthy eating choices, to be able to transfer, through their interactions with parents, an ability to make informed decisions about feeding consumption choices at home and in school.

The higher number of women in school PTAs provides an opportunity to increase their decision-making power in households and communities, an important qualitative aspect of gender mainstreaming. The programme offers women a chance to make decisions beyond their socially accepted sphere of influence (caring for children and preparing food). With school meals, women on the PTA decide the minimal threshold for a household's financial contribution and who should pay, how to spend contributed funds, and fundraise from communities, non-governmental organizations (NGOs) and regional authorities.

2.3. STRATEGIC CHANGES

This transitional ICSP, which is the result of extended consultations with Government stakeholders and cooperating partners, reflects a shift in function and mind set of WFP from a major implementer to a credible enabler. WFP Armenia will look to build further on the strategic changes initiated in 2015, cementing a systematic well-defined handover process characterized by synergies and partnerships that provide a complete package of support to national, provincial and school level authorities.

The programme envisions developing a more sophisticated gender-responsive M&E system, as well as designing purposeful sensitization interventions for increasing the representation of men in the food management committees and bringing gender balance to WFP's corporate minimal target threshold of at least to 70:30 percent. This will align with WFP's corporate cross-cutting result of improved gender equality with a shift to gender-transformative programming under the WFP Gender Policy 2015-2020 and Corporate Strategic Plan 2017-2021. The underlying causes and implications of gender-related issues will require further purposeful analysis. The Gender Action Plan developed for 2017 encapsulates strategic and operational interventions aimed at women's economic empowerment. WFP Armenia will undertake a thorough analysis of gender in Armenia as it relates to food security and nutrition. This will integrate better gender considerations within the NSR process, and strengthen the design, implementation, monitoring and evaluation of WFP's interventions in-country.

Nutrition will increasingly become the focus of policy advocacy for WFP once the school meals strategy is adopted in 2017. Apart from its support towards integrating the lifecycle approach into the national nutrition strategy, WFP is driving increased collaboration between the

Ministries of Health and Education on school meal design and monitoring, and has already enlisted the support of the World Health Organization on building new standards and guidelines for school meals. Implementing those guidelines at the school level into knowledgeable choices by school and kitchen staff will become increasingly vital as more schools receive cash and design their own menus. Rigorous consideration of nutritional considerations in the school meal composition will necessarily maintain a broader dialogue with parents, especially through the Parent Teacher Associations, on what their children should and should not be eating, and the advantages and disadvantages of available food choices. With a more diversified funding pool, WFP could extend also such education more systematically into the wider community, utilizing schools and health centres to promote healthy messaging and knowledge-sharing, and enhance community monitoring of feeding practices both at school and at home.

As it looks to the future, the widening of WFP's support would require a concomitant diversification of its funding pool and an even greater involvement on policy dialogue, both within the country and externally. WFP's initiation of the NSR consultative process, and its continued emphasis on redefining the food security agenda as one that goes beyond food availability, is an unprecedented discussion at the nation's highest levels. Together with a cost assessment of school meals, an ongoing review on the impact of school meals on social protection, a planned evaluation of its nutritional impact, studies on the 'Cost of Diet' and the 'Cost of Malnutrition', and a study on smallholder productivity enhancement, WFP can provide a strong argument for broadening its ability to provide an integrated package of support to Armenia that spans social protection, nutrition, food security and rural economic development.

3. WFP STRATEGIC ORIENTATION

3.1. DIRECTION, FOCUS AND INTENDED IMPACTS

The strategic outcome identified supports the Government of Armenia in addressing the right of all children to quality education and health, while also giving WFP the chance to function as an important safety net provider for vulnerable households. This is aligned with UNDAF outcome 5, which states that vulnerable groups have improved access to basic education and social protection services and participate in their communities. Educational and health indicators contribute to 90 percent of the Multi-Dimensional Poverty Index.³³ The school meals programme has a latent ability to build human capital and positively impact vulnerability as schools are key venues where Government and cooperating partners can have a dual, systematic and direct impact on the health and education of children and concurrently on their families' welfare. Whereas the provision of schools meals is intended to be universal and unconditional, its impact on food security and nutrition will be severely limited if dilapidated infrastructure, weak local markets, poor WASH facilities and a limited understanding of nutrition inhibit the ability of the programme to consistently provide healthy, safe and diverse food to its beneficiaries. Moreover, these factors hamper its ability to have a wider economic impact on local communities through their integration into the food value chain.

WFP's approach in Armenia is to accompany and guide the Government, school administrators, frontline workers and their communities to maximize the impact of school meals by concurrently addressing the multiple challenges that limit the programme's effectiveness. WFP's programme combines in-kind and cash-based transfers with school rehabilitation, food

³³ OPHI Country Briefing December 2016: Armenia Global Multidimensional Poverty Index
http://www.dataforall.org/dashboard/ophi/index.php/mpii/download_brief_files/ARM

basket optimization and capacity strengthening on nutrition, food procurement and preparation, management, logistics, communication and results monitoring. WFP's role as a direct implementer is designed to be systematically replaced as key stakeholders at the national, regional and local level 1) better understand the basic nutrition needs of children, and 2) are empowered through the programme to independently provide improved nutrition. Developing and gradually formalizing linkages to the local economy will further broaden WFP's support to SDG targets relating to poverty eradication and increasing smallholder income, but will also directly align WFP's efforts with the country's utmost priority of increasing equitable economic growth.

3.2. STRATEGIC OUTCOMES, FOCUS AREAS, EXPECTED OUTPUTS AND KEY ACTIVITIES

3.2.1. STRATEGIC OUTCOME 1: ALL PRIMARY SCHOOL CHILDREN IN ARMENIA HAVE RELIABLE ACCESS TO SAFE, ADEQUATE AND NUTRITIOUS FOOD BY 2023

➤ Focus Area

Root causes.

➤ Expected outputs

This Outcome will be achieved through the following five outputs:

1. Children in WFP-supported schools receive an increased share of locally produced food to improve the sustainable, reliable provision of adequate nutrition (Tier 1, category F; SR1).
2. Children in WFP assisted schools benefit from improved schools facilities to prepare safe and nutritious meals (Tier 2, category L; SR1)
3. All primary school children in Armenia benefit from improved capacity of national authorities to design, manage and implement the nationwide school meals programme aiming to improve nutrition (Tier 3, category C; SR1).
4. All food insecure and malnourished people living in Armenia benefit from improved Government policy and programmes to decrease vulnerability (Tier 3, category I; SR1)
5. Children in WFP-supported schools receive meals every school day to contribute to their adequate nutrition and to maintain high attendance rates (Tier 1; category A1/2; SR2; SDG4.5).

➤ Key activities

1. *Provide and facilitate technical, policy and institutional support to the Government*

Capacity strengthening will take place concurrently on three levels: at the national government level, with provincial authorities, and at the local level with school teachers, kitchen staff and communities.

At the policy level, WFP's support to building the permanent framework for school meals provision is led principally through the ongoing Systems Approach for Better Education Results (SABER) exercise. Three inter-ministerial working groups consisting of ten key staff from the Ministries of Health, Education, Agriculture, Territorial Administration, Labour and Social Issues, and the CSI, were established to examine the options available for the development of the school meals policy. The continued involvement of these staff in the planning and policy development of the national school meals framework will strengthen greatly the introduction and maintenance of international standards in its governance.

Central to the effective rollout of the policy will be the development of the two recently established school meals institutions: the Sustainable School Feeding Foundation and the Republican Training Centre. These institutions will be responsible for the administrative, training, procurement, financial management, monitoring, evaluation, fundraising and communication functions of the government school meals programme. The foundation is currently developing a capacity strengthening plan that will define the objectives, functions, structure and mechanisms it will work through. From 2017 onward, WFP will take steps to support the concrete rollout of this plan through the development and implementation of training modules pertaining to its functional areas. These modules should equip future staff of the foundation with the skills necessary to coordinate the programme from the central level and ultimately conduct their own training at regional and school level as the government programme grows.

The focus of capacity strengthening activities at provincial and local levels will follow the sequence of the handover transitional model. The province next in line for transfer to government implementation will receive higher attention as WFP's implementation transitions from providing assistance through in-kind food to use of a CBT modality. In 2018, the 'focus province' will be Shirak followed by Aragatsotn in 2019.³⁴ Tavush, which will be handed-over in September 2017, will continue to receive thorough attention and monitoring. The Government's exclusive selection of CBT gives WFP a well-defined and clear programme of capacity strengthening and handover to undertake. System-wide adoption of the CBT modality opens the way for WFP to explore the development of stronger linkages between schools and local economies.

Comprehensive training of headmasters and kitchen staff will be delivered by the Republican Training Center with WFP support, and in collaboration with the Social and Industrial Foodservice Institute (SIFI). Capacity transfers will focus on supply chain, procurement, financial management, nutrition, food safety and preparation. In 2018, while continuing to refresh capacities in Tavush, WFP will undertake training on the delivery of school meals management for all school headmasters in all transitioning schools. The initial three provinces handed-over will also be revisited to ensure the provision of formal training in light of the late introduction of hot meals within those schools.

WFP will continue promoting its successful approach through inter-school, inter-regional and international exchange of experience as an integral part of the transfer of capacity. This will include the participation of several ministries in the Global Child Nutrition Forum (GCNF) and a study tour in-country, which is well advanced in the Home Grown School Meals approach.

2. *Conduct school meals activities (in-kind and cash-based transfer) to targeted schools and children*

In 2018 WFP will provide one hot school meal daily for five days of the week over 180 days of the school year to approximately 80 percent of schools in six provinces until September and in five provinces from September to December. In-kind transfers will be procured directly by WFP from the Eurasian Economic Union region (EAEU),³⁵ fostering local procurement. In line with its handover model, transition to CBT in each focus province will be preceded by supply chain and micro financial feasibility assessments. CBT will be initiated in January of each year in

³⁴ The selection of these two provinces, while agreed upon verbally, is still pending formal adoption as part of the new National School Feeding Policy, to be presented to Parliament mid-2017.

³⁵ Eurasian Economic Union (EAEU) is composed of Armenia, the Republic of Belarus, the Republic of Kazakhstan, the Kyrgyz Republic and the Russian Federation.

order to allow schools to readjust to new reporting and accountancy procedures at the outset of the fiscal year. School meals will be prepared by local community-based kitchen staff through a cash or food-for-work modality.

The introduction of CBT will be preceded by a comprehensive assessment of all schools' infrastructure and kitchen equipment needs in the provinces selected. This assessment will be conducted primarily by WFP and its cooperating partner, together with the Regional Authorities and provincial representatives of state agencies of hygiene and sanitation, construction, and food safety. The results will allow WFP to supply construction materials and kitchen equipment individually tailored to school infrastructure and food processing needs. As a control mechanism, a local agreement will be signed with the Regional Authority to ensure appropriate oversight to financial operations of food procurement and cash administration, accountability and reporting, as well as proper utilization of construction materials and kitchen equipment.

WFP's programme will offer kitchen staff an opportunity to further contribute to the food security of their households by receiving food or cash entitlements for family members. This can contribute to the economic and social empowerment of unemployed women from local communities, especially in cases where these entitlements are the only way these women can directly supply household food goods. Where it serves to shift women out of their traditional spheres of influence, it challenges prevailing social norms and contributes to their empowerment.

The introduction of the CBT modality, together with the planned trainings at school level on hygiene and food management, mark a clear shift towards enhancing the nutritional impact of the school meals. Through CBT and with the training component for head teachers on menu composition, food management and hygiene, parents and kitchen staffs will increase their nutrition knowledge and school children will be consuming a more diverse and nutritious diet. This has implications for their physical and mental development as well as a wider impact on community economies through the establishment of linkages with local suppliers.

WFP Armenia has already initiated discussions with the ENPARD programme and will study the cost-effectiveness of local smallholder producers, including ENPARD producer groups, with an aim to integrate local production into the school meals supply chain. WFP currently purchases 40 mt out of its 90 mt annual buckwheat requirement within Armenia, and intends to purchase the remaining 50 mt through the ENPARD programme if and when it becomes available. WFP will assess the feasibility to adopt other home-grown crops (e.g. red beans). WFP Armenia will aim to operationalize this concept by continuing discussions with the International Fund for Agriculture Development (IFAD) to partner on home-grown school meals, and integrating this perspective into the formulation of the Country Strategic Plan (CSP).

3.3. TRANSITION AND EXIT STRATEGIES

WFP's role will evolve further as a credible enabler to support the ownership transfer process, concomitant with a decreasing share in direct assistance. To sustain programme quality, WFP technical support will remain essential throughout the entire handover and likely for some time thereafter. Once the NSR is endorsed, the Government may request WFP to expand its focus in support of broader national zero hunger solutions in the area of food security, nutrition and social protection systems but also in emergency preparedness response (EPR) and DRR. While maintaining its existing focus on school meals, WFP may develop and implement jointly with the Government additional models through a wider approach to knowledge building and technical support.

During this transition period, WFP will boost further a nutrition-sensitive and gender-responsive home-grown school meals approach, which would allow the Country Strategic Plan to graduate to a Gender Marker of 2(a).

4. IMPLEMENTATION ARRANGEMENTS

4.1. BENEFICIARY ANALYSIS

As annual handover takes place, the total number of beneficiaries will remain the same, with WFP strengthening its support to cover more beneficiaries in the province next in line for handover. In these provinces there is still an estimated average gap of 30 percent of schools to be covered. WFP will thus transition to CBT in Shirak for 12,000 primary school children (5,520 girls and 6,480 boys) and 1,500 household members of 300 women kitchen staff starting from January 2018.

WFP will provide in-kind food to 48,000 primary school children (22,080 girls) and take-home food entitlements to 7,000 household members of 1,400 women kitchen staff preparing daily meals in other provinces.

Capacity strengthening activities will benefit 2,191 government employees, of which 1,741 are women. Training will be carried out for provincial education focal points and key staff from central level ministries. Capacity strengthening numbers of the Sustainable School Feeding Foundation and the Republican Training Centre will depend on staffing plans currently under development.

Strategic Outcome	Activities	Female	Male	Total
Strategic Outcome 1	School meals implementation	31,850	36,650	68,500
TOTAL		31,850	36,650	68,500

4.2. TRANSFERS

4.2.1. FOOD AND CASH-BASED TRANSFERS

Strategic Outcome	Strategic Outcome 1					
Activity	<i>Activity 1: Government capacity strengthening</i>			<i>Activity 2: School meals implementation</i>		
Beneficiary type	School headmasters	Representatives MoES/MTAES ³⁶	School children	Kitchen staff	School Children	Kitchen staff

³⁶ Ministry of Education and Science and the Ministry of Territorial Administration and Emergency Services

Modality	Training/ Workshop	Workshop	In kind	In Kind	CBT	CBT
cereals			160	2,500		
pulses			15	150		
oil			10	150		
total kcal/day			586	2,188	586	2,188
% kcal from protein			9	10	9	10
% Kcal form Fat			18	13	18	13
cash (US\$/person/day)					0.25	1.58
Number of feeding days per month			20	20	20	20

TABLE 3: TOTAL FOOD/CASH-BASED TRANSFER REQUIREMENTS & VALUE		
Food type / cash-based transfer	Total (mt)	Total (US\$)
Cereals	2,233	1,612,653
Pulses	196	117,600
Oil and Fats	147	235,200
Mixed and Blended Foods	0	0
Other	0	0
TOTAL (food)	2,576	1,965,453
Cash-Based Transfers (US\$)		350,526
TOTAL (food and CBT value – US\$)	2,576	2,315,979

➤ Transition to cash

A unified value of the daily cash transfer was set at Armenian Dram (AMD) 120 (USD 0.25), in line with the government transfer value following CBT feasibility assessment recommendations. This will enable schools to buy 16 to 20 different types of commodities providing school children 32 percent of their daily caloric need, covering 48 percent of their daily protein and fat requirements. In these schools, WFP will introduce for kitchen staff a monthly cash incentive of 15,000 AMD (USD32). This equals the market value of the food incentive for kitchen staff in other WFP-supported schools.

4.2.2. CAPACITY STRENGTHENING INCLUDING SOUTH-SOUTH COOPERATION

As this transitional ICSP focuses on Government handover, capacity strengthening will be targeted exclusively towards Government, ministry and school staff to enable them to independently administer the schools meals programme after handover. Activity one describes in detail this capacity strengthening programme. A South-South Cooperation initiated in 2016 at the Global Child Nutrition Forum (GCNF) hosted by Armenia will be maintained and the promotion of exchange of experiences will continue in 2018.

4.3. SUPPLY CHAIN

The majority of food consignments are purchased from the Russian Federation, with WFP Armenia receiving consignments at the warehouse located in the north of Armenia. Since mid-

2016, 45 percent of the food has been sourced within Armenia. Six commodities are regularly delivered to schools under the in-kind modality. Transportation of commodities is organized with commercial trucking companies selected through a competitive and transparent tendering process.

A combination of dynamics optimized WFP's supply chain efficiency: the introduction of the Logistics Execution Support Services (LESS) improved commodity tracking at all stages; Armenia's accession to the EAEU³⁷ has foregone the need for customs clearance and food certification fees; the shift from rail to land transportation decreased ITSH costs by 10 percent; and the introduction of real-time monitoring improved the timeliness of commodity balance reporting. Moreover, good warehouse practices, with measures related to disinfestation and repackaging, resulted in negligible post-delivery losses. To prevent potential pipeline breaks, the supply chain is designed to have two to three months' worth of food commodities at the warehouse.

4.4. PARTNERSHIPS

To enhance synergies strengthening the comprehensive understanding of food insecurity and malnutrition and their implications for Armenia, WFP will continue building strategic and operational partnerships with Government, academics, United Nations agencies, the private sector and civil society organizations. In agreement with the donor, WFP continued its partnership with SIFI.

WFP will seek to expand its partnerships with the Rome-based agencies. IFAD has been supporting small-scale farming and women's agro-business through grant schemes and is in the process of designing its new Country Strategic Opportunity Programme. WFP will continue to co-chair with FAO the national Food Security Coordination Group, which supports the coordination of the Government and humanitarian actors on food security, especially aimed at developing inter-agency contingency plans in the event of an emergency. WFP will pursue its participation in the World Bank working group on Nutrition Sensitive Social Safety Nets. The group is comprised of line ministries, the United States Agency for International Development and UNICEF to coordinate nutrition-sensitive social protection and food security interventions.

WFP will engage increasingly with the national Women's Council at the Prime Minister's Office, women's rights organizations as well as the Gender Coordination Group chaired by UNICEF to contribute advancing a gender-transformative agenda in Armenia.

The first field-level operational partners for the effective implementation of school meals will continue to be the schools themselves, the communities and the regional authorities. Based on its comprehensive mapping of key non-governmental humanitarian and development actors and as part of its transitional model, WFP plans to expand operational partnerships with NGOs to foster synergies and maximize the impact of WFP efforts on school infrastructure rehabilitation as handover takes place. As a result, kitchens and cafeterias in rehabilitated schools will be better able to utilize kitchen equipment for the preparation of nutritious hot meals. WFP will continue fostering synergies with Russian Federation-funded projects of FAO on food security and social protection, largely targeting school gardens, and UNDP on community resilience in Tavush.

³⁷ The Eurasian Economic Union regroups Russia, Armenia, Belarus, Kazakhstan and Kyrgyzstan. Armenia's accession treaty came into force on 2 January 2015.

5. PERFORMANCE MANAGEMENT AND EVALUATION

5.1. MONITORING AND EVALUATION ARRANGEMENTS

Since 2015, WFP Armenia has gradually enhanced its monitoring system to progress on information timeliness, accuracy, and gender-responsiveness and introduced a standardized reporting format. Process and output level indicators rely on primary data collection, while outcome level indicators depend on secondary data collection and analysis from school records and national statistics. Regular monitoring reports include mostly output level and process dimensions of the school meals programme.

In 2016, WFP's routine output monitoring forms and database were adjusted to capture more accurately the quality of implementation. The introduction of the Geo-referenced Real-time Acquisition of Statistics Platform (GRASP) mobile data collection system reduced data collection and processing time and resulted in faster information management. Following the recommendation of the WFP Regional Bureau in Cairo to strengthen outcome level monitoring, WFP will outsource to a third-party to undertake an annual outcome monitoring survey.

An external independent evaluation will be initiated in early 2018 as part of corporate requirements.

A long-standing partnership with the International Food Policy Research Institution (IFPRI) was initiated, starting with an impact review on the social protection and poverty reduction outcomes of the programme, with final results expected in May 2017. A decentralized evaluation with IFPRI on the multiple impacts of the programme is planned in September 2017.

These surveys results will be gender-responsive to support the CSP formulation and serve as a baseline. The outsourced outcome monitoring as well as the decentralized evaluations will define the project baseline values in alignment with the Corporate Results Framework (CRF) indicators linked to WFP's strategic outcomes categories, output categories and cross-cutting results.

5.2. RISK MANAGEMENT

➤ *Contextual Risks*

Armenia's environment is generally characterized as safe and contextual risks are considered low-level, however the perpetual risk of earthquakes is the highest in the region. In addition to this, the country's stability might be adversely affected by the latent conflict over Nagorno-Karabakh. In 2016, WFP finalized an EPR Plan to mitigate these risks and respond effectively. According to this plan, should the Nagorno-Karabakh conflict escalate, the Disaster Management Country Team agreed on the potential activation of four clusters³⁸ upon the Government's request. Proximity to the volatile Middle East region further exposes the country to refugee inflows, especially from Syria.

➤ *Programmatic Risks*

The increasing programmatic emphasis on gender-transformative programming and capacity strengthening brings with it manageable risks. WFP will devote available resources to ensure expertise is in place to make its interventions more responsive to, and impactful for, women,

³⁸ Protection, Education, Food Security, and Shelter and Non-food Items.

men, girls and boys. Capacity strengthening efforts at all levels, from Government to school staff, depends to a large degree on the willingness and ability of policymakers and frontline workers alike to enhance the systems, skills, competencies and practices to make equitable and sustainable improvements to the way the programme operates.

The impact of this programme on the uptake of home-grown school meals in 2018 may vary according to three factors: 1) availability and usage of safe, quality food products grown by farmers within school districts, 2) availability of seed funding to explore the cost-effectiveness of connecting schools to local farmers, and 3) institutional willingness to operationalize these connections. Moreover, WFP’s extended support to the Government in various fields within its mandate—food security policy, nutrition, climate resilience, and DRR and management, emergency preparedness and immediate response—will depend on WFP Armenia’s ability to find and invest resources in, and share the results of, systematic evidence-building.

With support from WFP HQ, WFP Armenia invested heavily in preparing for the NSR process. Like other countries’ experiences with strategic reviews, the lead convener’s ability to elevate the debate on food security and induce accompanying policy or action plans will influence its wider uptake among policymakers, the private sector and civil society. Considering the consistent focus of the Government on economic growth, the prevailing arguments for strengthening food security will likely be tied strongly to those aspects that directly strengthen the agricultural economy or build human capital within the agricultural sector.

➤ *Institutional Risks*

WFP will adhere strictly to its corporate procedures to prevent any exploitation of the supply chain. These include the new corporate guidelines and countermeasures to properly screen and undertake due-diligence on field-level counterparts and cooperating partners. To mitigate CBT-related financial risks, WFP Armenia put in place control mechanisms through the financial service provider and through internal monitoring to significantly lessen the risks of fraud and mismanagement.

WFP Armenia’s ability to mobilize adequate human resource capacities with the relevant skills needed to support the changes brought on by the corporate strategic shift is a severe reputational risk.

6. RESOURCES FOR RESULTS

6.1. COUNTRY PORTFOLIO BUDGET

TABLE 5: COUNTRY PORTFOLIO BUDGET (USD)	
	2018
Strategic Outcome 1	5,452,103
TOTAL	5,452,103

The Country Portfolio Budget will cover the following costs associated with its sole strategic outcome:

- a. Introduce CBT for all 12,000 primary school children (5,520 girls) and 1,500 household members of 300 women kitchen staff of Shirak province, to be handed-over to the Government in September 2018;

-
- b. Continue provision of in-kind food to 48,000 primary school children (22,080 girls) and to 7,000 household members of 1,400 women kitchen staff in five provinces;
 - c. Continue scaling-up capacity development and augmentation activities and formulate the CSP based on the results of the NSR, the SABER process and the different evaluations;
 - d. Formulate and resource the 2019-2023 CSP with the donor, Government and cooperating partners, and realign the school meals programme with local agricultural production and nutrition-sensitive social protection through enhanced gender sensitive programming.

The country portfolio budget meets the corporate commitment of 15 percent of the funds allocated to gender equality activities.

6.2. RESOURCING OUTLOOK

The project received generous and predictable multi-year, multilateral contributions from the Russian Federation, which amounted to a total of USD 28 million covering the period from 2010 to 2018. This includes the latest contribution of USD 7 million received in December 2016. The Government remained committed to fund internal transportation, storage and handling (ITSH) costs of the WFP-administered project in the amount of USD 104,000 USD annually. Since 2016, annual funding needs have increased due to greater strategic positioning, South-South cooperation, drastic scaling-up of capacity augmentation activities, and provision of technical support for sustainable handover, including the introduction of CBT, while maintaining direct provision of food.

6.3. RESOURCE MOBILIZATION STRATEGY

As funding from the Russian Federation covers almost entirely WFP Armenia's planned funding needs for 2018, fundraising efforts will focus on the CSP period of 2019-2023. However, during this period WFP will seek to secure additional resources to further cover the cost of analysis. WFP Armenia will explore the use of expertise from the Regional Bureau and Headquarters, as well as financial resources or human expertise, from partners' implementing programmes where there is an overlap in objectives and where partnership would be mutually beneficial. This should include non-traditional donors, the private sector and the Armenian diaspora.

**ANNEX I: SUMMARY OF LOGICAL FRAMEWORK OF ARMENIA
(TRANSITIONAL) INTERIM COUNTRY STRATEGIC PLAN (YEAR
2018)³⁹**

See COMET version.

ANNEX II: INDICATIVE COST BREAKDOWN

INDICATIVE COST BREAKDOWN ALONG STRATEGIC OUTCOME (USD)		
WFP Strategic Results / SDG Targets	SR 1, SDG 2.1	Total
WFP Strategic Outcomes	Strategic Outcome 1	
Transfer	\$4,241,819	\$4,241,819
Implementation	\$435,522	\$435,522
Adjusted DSC (%)	\$418,082	\$418,082
Sub-total	\$5,095,423	\$5,095,423
ISC (7%)	\$356,680	\$356,680
TOTAL	\$5,452,103	\$5,452,103

³⁹ In accordance with the CRF 2017-2021, all person-related data will be disaggregated by sex and age or age-groups as feasible.

ANNEX III: MAP(S)

Map(s) should show the food security and nutrition level in the country.

Please ensure:

- Map(s) are fully legible at this scale (i.e., A4) in in black and white.
- Provide separately an electronic version of the map that can be adjusted for other language versions of the final document.

ANNEX IV: ACRONYMS

ADS	Armenia Development Strategy
AMD	Armenian Dram
CBT	Cash-Based Transfers
CFSVNA	Comprehensive Food Security, Vulnerability and Nutrition Analysis
CSI	Centre for Strategic Initiatives
CSP	Country Strategic Plan
DHS	Demographic and Health Survey
DRR	Disaster Risk Reduction
DSC	Direct Support Costs
EAEU	Eurasian Economic Union
ENPARD	European Neighbourhood Programme for Agriculture and Rural Development
EEU	Eurasian Economic Union region
FAO	United Nations Food and Agriculture Organization
GCNF	Global Child Nutrition Forum
GDP	Gross Domestic Product
GRASP	Georeferenced Real-time Acquisition of Statistics Platform
HDI	Human Development Index
ICSP	Interim Country Strategic Plan
IFAD	International Fund for Agricultural Development
IFPRI	International Food Policy Research Institution
ISPC	Integrated Social Protection Centre
ITSH	Internal Transportation, Storage and Handling
IYCF	Infant and Young Child Feeding
KfW	Kreditanstalt für Wiederaufbau (German Development Bank)
LESS	Logistics Execution Support Services
M&E	Monitoring and Evaluation
NCSD	National Council for Sustainable Development
NSR	National Strategic Review
NSS	National Statistical Service

OECD	Organisation for Economic Co-operation and Development
PTA	Parent Teacher Associations
SABER	Systems Approach for Better Education Results
SADD	Sex and Age Disaggregated Data
SDG	Sustainable Development Goal
SIFI	Social and Industrial Foodservice Institute
SSARD	Strategy for Sustainable Agricultural and Rural Development
UNDAF	United Nations Development Assistance Framework
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
WASH	Water, Sanitation and Hygiene