

Overview of community level activities implemented within the framework of the state subvention program of the RA Government in 2018-2019

Introduction

The subvention¹ program for the development of economic and social infrastructures of the Armenian communities, initiated by the Government of RA (GoA), is a new form of community-state horizontal cooperation, which implies co-financing of part of the capital costs of implementation of municipal programs proposed by local authorities and approved by GoA. Depending on the specific program area, specificity of the proposed activity, geographical location, and impact of the program on the socio-economic situation of the community, the state budget co-finances from 30 to 70 percent of the total cost of community infrastructure development programs.

On January 31, 2019, GoA adopted the Decision N62-N on “Changes and amendment to the Decree of GoA N1708 dated on 16.11.2018” to introduce a new multiple-factor procedure for granting subventions to the communities from the state budget of RA. The documents set a number of criteria that affect the amount of budget financing, such as the distance of the project applicant from the capital city of Yerevan, remoteness from the state border and altitude (preference is given to border and/or mountainous settlements), as well as the sector of the proposed activity. At the same time, the amount of co-financing to be provided by communities and job creation potential are taken into consideration while scoring the proposals.

Moreover, the document has reduced the minimum threshold for co-financing by the communities, so that a community with a budget of up to 50 mln AMD is eligible for participation in the program, provided that it ready to allocate 3 mln AMD or more from the current year community budget for co-financing each of proposed project.

In the table below the sectors of eligible municipal economic and social infrastructure development projects as well as the proportions of the state budget co-financing (% of the total cost of the project) are introduced.

Table 1: sector types and state budget co-financing proportions

Sector	Proportion of co-financing from the state budget (%)			
	Up to 60 km remoteness from Yerevan	More than 60 km remoteness from Yerevan and up to 30 km remoteness from the regional administration center	More than 100 km remoteness from Yerevan	Border and/or mountainous settlements
Construction/repair/asphalting of settlement streets	45	50	55	60
Construction/repair of potable water supply and drainage system	55	60	65	70
Construction/repair of irrigation system	55	60	65	70
Construction/repair of street lighting system	50	55	60	65
Renewable energy, including installation of solar photovoltaic stations	45	50	55	60
Gasification of settlements	50	55	60	65
Construction, reconstruction/repair of kindergartens	50	55	60	65
Construction/renovation of public buildings (house of culture, community centers, etc.)	30	35	40	45
Renovation of common equity ownership of MABs	45	50	55	60
Construction/improvement of gardens and parks	30	35	40	45
Acquisition of machinery	40	45	50	55
Improvement or closure of landfills	35	40	45	50

¹ Subvention refers to a grant of money to local authorities from the state budget to support (co-finance) economic, social and other development of communities. Subventions are provided for a specific period of time and for concrete purposes and shall be returned in case of misuse or use not in due time.

As it is seen from the above table, the highest priority (co-financing proportion) is given to the projects aimed at introduction or improvement of potable water supply and sanitation as well as irrigation, while public buildings, gardens and parks have a relatively lower co-financing priority.

The overall philosophy of the scoring approach is to prioritize capital investments in community projects that improve economic infrastructures and facilitate economic development in communities. At the same time, the proposed co-financing approach encourages communities to increase capital expenditures in their budgets to allocate more funds into road infrastructures, installation or modernization of illumination systems, rehabilitation of buildings, improvement of water supply and irrigation, etc.

Out of 12 proposed sectors one (Renewable energy, including installation of solar photovoltaic stations) has direct climate change mitigation effect, while others may have energy saving and/or CO₂ emission reduction potential provided that appropriate energy efficient and green technologies are applied (e.g. LED technology for repair of street lighting system, energy saving pumps for repair of irrigation systems or gravitational irrigation, thermal insulation for reconstruction of kindergartens, etc.).

Procedure

RA communities receive subventions in line with the established procedure initially set by the Decision of GoA N1708-N dated on 16.11.2016 and amended by the Decision of GoA N62-N dated on 31.01.2019. According to the procedure, local authorities introduce (submit) subvention projects only after actual needs and priority issues of community are assessed, as well as discussed at the meeting of the Council of Elders and with the community population, within the framework of public hearings.

Thereafter, the packages are submitted to the Ministry of Territorial Administration and Infrastructures of RA (MTAI) through the regional administrations. The Ministry, after completing the relevant studies (examinations) and completing the defective packages, submits them to the Interdepartmental Commission for the Evaluation of Program Application for Subventions by the Prime Minister's Decision.

Methodology

In order to support communities with preparation (formulation) of proper tasks and technical specification for development of design for activities proposed for materializations within the framework of subvention projects, the following three methodological guidelines have been developed and made available on the website of MTDI.

- Methodological guide on preparation of ToR / technical specification for development of designs for repair, reconstruction and construction of motorways and transport facilities (bridges), developed by “Armenian Roads Directorate” SNCO under MTAI.
- Guidance on preparation of ToR for design of energy efficient street illumination, developed by UNDP-GEF “Green Urban Lighting” project.
- Methodological guide on preparation of ToR / technical specification for development of designs for construction, repair / capital repair, renovation and reconstruction of public buildings.

Legal framework

Objectives, criteria, procedures and other aspects of the state subvention program are described, defined and regulated by the following main documents:

- Decision of GoA **N 1708-N**, dated on 16.11.2006 on “**Approval of the procedure for provision of subventions to the communities from the state budget of RA**”. The document approves the following:
 - (1) The order (procedure) for **provision** of the state budget subventions to communities;
 - (2) The order (procedure) for **development, submission, discussion** and **approval** of applications for subventions for development of economic and social infrastructures of RA communities, besides the subventions envisaged by the state annual budget of RA;
 - (3) The format of **application** for subventions for development of economic and social infrastructures of RA communities;

(4) The format of **implementation progress** and **monitoring report** for the projects endorsed by the interdepartmental commission within the scope of provision of subventions for development of economic and social infrastructures of RA communities

- Decision of GoA N 442-N, dated on 27.03.2014, on “**Approval of the Armenia Development Strategy for 2014-2025**”. According to the strategy, the total amount of subventions (generated through environmental fees paid by large mining companies allocated to the financing of environmental and healthcare measures in affected communities) allocated to 26 communities and Yerevan city for implementation of environmental programs amounted to 733.7 million drams in 2007-2011.
- Decision of GoA N 646-A, dated on 19.06.2017, on “**Approval of the Program of the Government of RA for 2017-2022**”. The document defines activities of GoA in the area of territorial administration for the upcoming 5 years as follows “starting from 2018, make a transition to a new policy on provision of subventions; competitive provision of subventions to communities having presented the best programmes”.
- Decision of GoA N 910-N, dated on 27.07.2017, on “**Establishment of a specialized commission designated to prioritize (acknowledge as preferential), change or suspend subsidies, subventions and grant projects, defining the composition and procedures of the commission, defining the procedure of the commission for prioritization, change or suspension of subsidies, subventions and grant projects**”.

According to the document the committee is composed of the representatives of the following organizations:

- Deputy Minister of Finance of RA
 - Ministry of Economic Development and Investments of RA
 - State Revenue Committee of RA
 - State Commission for the Protection of Economic Competition of RA
 - State governance bodies regulating sectors of implementation of the proposed subsidy, subvention and grant projects.
- Decision of GoA N 1717-A, dated on 28.12.2017, on “**Measures to ensure implementation of the 2018 state budget of RA**”.
 - Decision of the Prime Minister of RA N 136-A, dated on 15.02.2018, on “**Establishment of the interdepartmental commission for assessment of project proposals for receiving subventions, besides subventions envisaged by the RA state budget for 2018 and defining its composition and working procedure**”.

According to the document the interdepartmental committee for assessment of subvention proposals is composed of the following officials:

- First Vice Prime Minister of RA
 - Minister of Finance of RA
 - Minister of Territorial Administration and Development of RA
 - Minister of Economic Development and Investments of RA
 - Minister of Transport, Communication and Informational Technologies of RA
 - Chairman of Urban Development Committee
 - Chairman of Water Committee of the Ministry of Energy Infrastructures and natural Resources
 - Deputy Minister of Territorial Administration and Development of RA
- Decision of GoA N 920-N, dated on 26.07.2018, on “**Allocation of money to Gegharkunik, Lori, Kotayk, Shirak, Tavush, Armavir and Vayots Dzor regions of RA and on amendments to the Decision of GoA N1717-N dated on 28.12.2017**”.

The document endorses allocation of 278,732 thousand AMD of additional funding to the regions of RA for provision of other subventions within 9 months of 2018, additional to the subventions already envisaged by the RA state budget for 2018.

- Decision of GoA N 1506-N, dated on **20.12.2018**, on **“Permitting the regional administrations of Aragatsotn, Armavir, Ararat, Lori, Shirak and Syunik regions to make changes in the agreements on provision of subvention signed with the communities of the mentioned regions”**. The document approves the amount of co-financing (194,362,831 AMD) from the RA state budget for implementation of 13 activities.
- Decision of GoA N 1548-N, dated on **27.12.2018**, on **“Permitting the regional administrations of Aragatsotn, Tavush, Gegharkunik and Syunik regions to make changes in the agreements on provision of subvention signed with the communities of the mentioned regions”**. The document approves the amount of co-financing (143,424,302 AMD) from the RA state budget for implementation of 6 activities.
- Decision of the Prime Minister of RA N 278-A, dated on **19.03.2019**, on **“Establishment of the interdepartmental commission and defining its composition and working procedure”**. The document establishes an intergovernmental commission for assessment of proposals for subventions aimed at economic and social of communities besides subventions envisaged by the annual state budget of RA, as well as sets its composition and working procedure.

According to the document the interdepartmental committee for assessment of subvention proposals is composed of the following officials:

- First Vice Prime Minister of RA
 - Minister of Territorial Administration and Development of RA
 - Minister of Agriculture of RA
 - Minister of Economic Development and Investments of RA
 - Minister of Transport, Communication and Informational Technologies of RA
 - Minister of Energy Infrastructures and Natural Resources of RA
 - Chairman of Urban Development Committee
 - Deputy Minister of Territorial Administration and Development of RA
- Decision of GoA N 759-N, dated on **20.06.2019**, on **“Changes and amendment to the Decree of GoA N1708 dated on 16.11.2018”**. The document updates the previously established procedure and criteria for provision of subventions from the RA state budget aimed to facilitate (to some extent) the procedure for obtaining subventions by the Armenian communities as mentioned in introductory section of this report.
 - Decision of GoA N 62-N, dated on **31.01.2019**, on **“Changes and amendment to the Decree of GoA N1708 dated on 16.11.2018”**.

Preliminary results of the State Subvention Program

According to information provided by Territorial (Capital) Programs Support and Solid Waste Management Department of MTAI, 151 projects were co-financed from the state budget in 2018 for a total amount of 1.62 billion AMD.

Implementation of 7 projects approved in 2018 were postponed and co-financed in 2019 for a total amount of 111,137,200 AMD. Hence, 158 municipal projects approved in 2018 have been financed (1.731 billion AMD) and implemented².

In 2019, the Intergovernmental Commission within the scopes of its 5 meetings approved 483 projects, totaling 23.76 billion AMD. The amount of municipal co-financing of these projects is 10.27 billion AMD, while expected state co-financing is 12.95 billion AMD.

Overview of the approved proposals

Within the framework of this study 637 subvention project proposals approved within the scope of 3 sessions of the Intergovernmental Commission established by the Decision of the Prime Minister of RA N

² Within the scope of this study 154 projects, approved in 2018 by the Intergovernmental Commission established by the Decision of the PM N136-N, are considered. The number of projects is defined based on lists of approved subvention projects available on the website of MTAI at <http://www.mtad.am/hy/marznerdrum/>.

136-A (dated on 15.02.2018) and 5 sessions of the Intergovernmental Commission established by the Decision of the Prime Minister of RA N278-A (dated on 19.03.2019) have been considered.

Out of this number, 213 proposals that may have potential climate change mitigation impact (provided that appropriate technologies are applied) have been identified.

It shall be noted that the mentioned number does not include projects that may indirectly contribute to CO₂ emission reduction, sequestration and climate change adaptation such as construction or rehabilitation of parks and gardens, improvement of road infrastructures, closure of landfills, etc. In the table 2 and 3 below distribution of all approved proposals by regions and sectors is provided for 2018 and 2019.

Subvention projects approved in 2018

Below an overview of subvention projects approved in 2018 is presented.

Table 2: Breakdown of 154 subvention proposals approved in 2018 by regions and sectors

SECTORS	Ararat	Aragatsotn	Armavir	Gegharkunik	Lori	Kotayk	Shirak	Syunik	Tavush	Vayots Dzor	TOTAL	%
Asphalting of settlement streets	2	7	4	17	4	5	5	4	1	4	53	34.4%
Potable water supply and drainage		2	2	9		3		1	1	4	22	14.3%
Irrigation system			1	3		1				1	6	3.9%
Street lighting system		4		4	3	2	1	1		4	19	12.3%
Renewables (PV)					3						3	1.9%
Gasification of settlements												
Kindergartens		1		2	1			3		2	9	5.8%
Public buildings	3	4	1	1	2	3	1	2	2		19	12.3%
MABs									1		1	0.6%
Parks and gardens	1	2		1	1	1	1	1		1	9	5.8%
Acquisition of machinery		1		1	3	1	1			1	8	5.2%
Improvement or closure of landfills				1							1	0.6%
Other					1	1		2			4	2.6%
TOTAL	6	21	8	39	18	17	9	14	5	17	154	100%

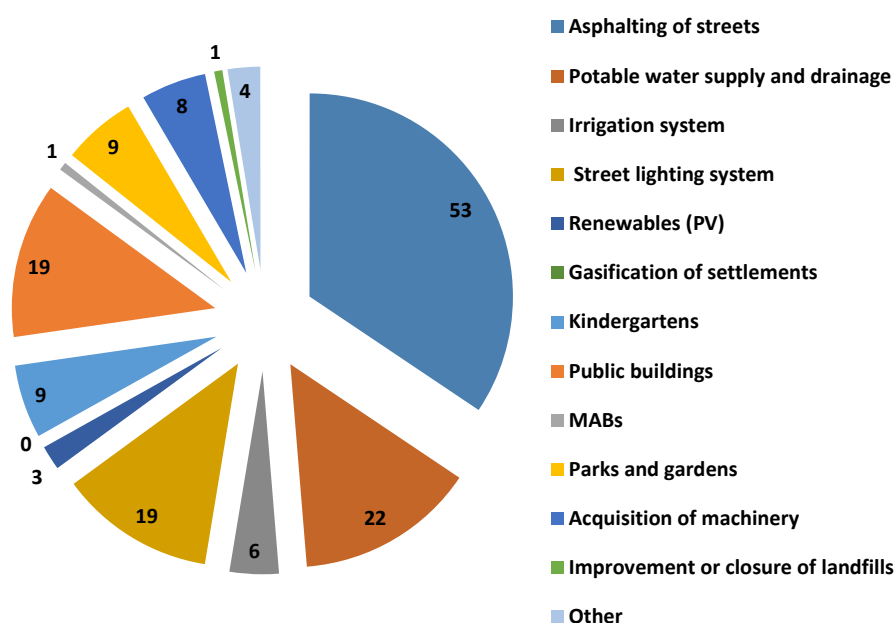


Figure 1: Sectoral breakdown of subvention proposals approved in 2018

As it is seen from the above table and figure the 5 most popular sectors where proposals for implementation of municipal projects were made in 2018 are as follows:

1. Asphaltting of settlement streets – 34.4%
2. Potable water supply and drainage –14.3%
3. **Street lighting systems – 12.3%**
4. **Public buildings – 12.3%**
5. Parks and gardens – 5.8%

While, in terms of number of submitted and approved applications, the most active regions are:

1. Gegharqunik – 39,
2. Aragatsotn – 21
3. Lori – 18
4. Kotayk – 17
5. Vayots Dzor – 17

As it can be seen from the table and figure above, 46 proposals (out of 154 approved in 2018) have been identified as municipal climate change mitigation activities (because of their energy saving and renewable energy generation potential) and analyzed. In the table below distribution of community level mitigation proposals by regions and sectors is provided.

Table 3: Breakdown of subvention proposals with climate change mitigation potential approved in 2018

SECTORS	Ararat	Aragatsotn	Armavir	Gegharkunik	Lori	Kotayk	Shirak	Syunik	Tavush	Vayots Dzor	TOTAL	%
Public buildings and facilities*	2	5		3	2	3		4	1	3	23	50.0%
Street (outdoor) illumination		4		4	3	2	1	1		4	19	41.3%
Renewable energy generation (PV)					3						3	6.5%
MABs									1		1	2.2%
TOTAL	2	9	0	7	8	5	1	5	2	7	46	100%

Note: *) administrative buildings, kindergartens, houses of culture, community centers

Subvention projects approved in 2019

Below an overview of subvention projects approved in 2019 is presented.

Table 4: Breakdown of 483 subvention proposals approved in 2019 by regions and sectors

SECTORS	Ararat	Aragatsotn	Armavir	Gegharkunik	Lori	Kotayk	Shirak	Syunik	Tavush	Vayots Dzor	TOTAL	%
Asphaltting of settlement streets	24	17	12	38	14	18	10	7	6	8	154	31.9%
Potable water supply and drainage	4	5	9	16	5	10	2	1	3	3	58	12.0%
Irrigation system	5	4	1	13	4		3	3		2	35	7.2%
Street lighting system	7	14	1	12	8	3	4	3	1	3	56	11.6%
Renewables (PV)					3		7			2	12	2.5%
Gasification of settlements	3	3	1	2	1	3				2	15	3.1%
Kindergartens	7	2	3	8	2	8	5	5	1	3	44	9.1%
Public buildings	6	6	4	7	8	8	6	1	2	3	51	10.6%
MABs		1	2	2	2	1	1	3	3		15	3.1%
Parks and gardens	3	3	1	4	2			1		2	16	3.3%
Acquisition of machinery	1		2		7	1	9	1	2		23	4.8%
Improvement or closure of landfills											0	0.0%
Other		1		1			1	1			4	0.8%
TOTAL	60	56	36	103	56	52	48	26	18	28	483	100%

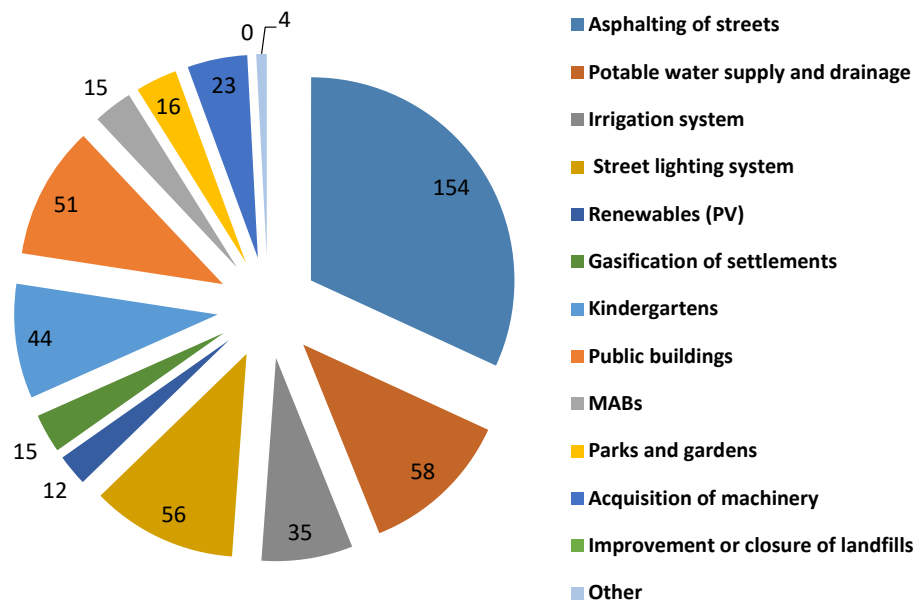


Figure 2: Sectoral breakdown of subvention proposals approved in 2019

As it is seen from the above table and figure the 5 most popular sectors where proposals for implementation of municipal projects were made in 2019 are as follows:

1. Asphaltting of settlement streets – 31.9%
2. Potable water supply and drainage – 12.0%
3. **Street lighting systems – 11.6%**
4. **Public buildings – 10.6%**
5. **Kindergartens – 9.1%**

While, in terms of number of submitted and approved applications, the most active regions are:

1. Gegharqunik – 103
2. Ararat – 60
3. Lori – 56
4. Aragatsotn – 56
5. Kotayk – 52

As it can be seen from the table and figure above, 167 proposals (out of 483 approved in 2019) have been identified as municipal climate change mitigation activities (because of their energy saving and renewable energy generation potential) and analyzed.

In the table below distribution of community level mitigation proposals by regions and sectors is provided.

Table 5: Breakdown of subvention proposals with climate change mitigation potential approved in 2019

SECTORS	Ararat	Aragatsotn	Armavir	Gegharkunik	Lori	Kotayk	Shirak	Syunik	Tavush	Vayots Dzor	TOTAL	%
Public buildings and facilities*	11	8	6	14	9	14	9	6	1	6	84	50.3%
Street (outdoor) illumination	7	14	1	13	8	3	4	2	1	3	56	33.5%
MABs		1	2	2	2	1	1	3	3		15	9.0%
Renewable energy generation (PV)					3		7			2	12	7.2%
TOTAL	18	23	9	29	22	18	21	11	5	11	167	100%

Note: *) administrative buildings, kindergartens, houses of culture, community centers

General overview of subvention projects approved in 2018-2019

Below an overview of subvention projects approved in 2018-2019 is presented.

Table 6: Breakdown of 637 subvention proposals approved in 2018 by regions and sectors

SECTORS	Ararat	Aragatsotn	Armavir	Gegharkunik	Lori	Kotayk	Shirak	Syunik	Tavush	Vayots Dzor	TOTAL	%
Asphalting of settlement streets	26	24	16	55	18	23	15	11	7	12	207	32.5%
Potable water supply and drainage	4	7	11	25	5	13	2	2	4	7	80	12.6%
Irrigation system	5	4	2	16	4	1	3	3		3	41	6.4%
Street lighting system	7	18	1	16	11	5	5	4	1	7	75	11.8%
Renewables (PV)					6		7			2	15	2.4%
Gasification of settlements	3	3	1	2	1	3				2	15	2.4%
Kindergartens	7	3	3	10	3	8	5	8	1	5	53	8.3%
Public buildings	9	10	5	8	10	11	7	3	4	3	70	11.0%
MABs		1	2	2	2	1	1	3	4		16	2.5%
Parks and gardens	4	5	1	5	3	1	1	2		3	25	3.9%
Acquisition of machinery	1	1	2	1	10	2	10	1	2	1	31	4.9%
Improvement or closure of landfills				1							1	0.2%
Other		1		1	1	1	1	3			8	1.3%
TOTAL	66	77	44	142	74	69	57	40	23	45	637	100%

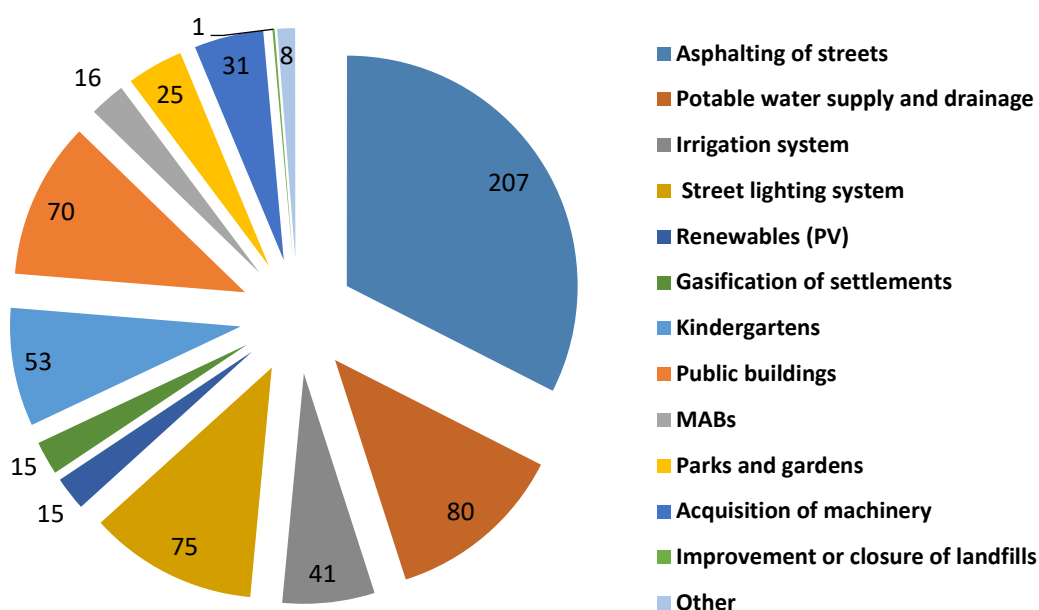


Figure 3: Sectoral breakdown of subvention proposals approved in 2018-2019

As it is seen from the above table and figure the 5 most popular sectors where proposals for implementation of municipal projects were made in 2018-2019 are as follows:

1. Asphalting of settlement streets – 32.5%
2. Potable water supply and drainage – 12.6%
3. **Street lighting systems – 11.8%**
4. **Public buildings – 11.0%**
5. **Kindergartens – 8.3%**

While, in terms of number of submitted and approved applications, the most active regions are:

1. Gegharkunik – 142
2. Aragatsotn – 77
3. Lori – 74
4. Kotayk – 69
5. Ararat – 66

As it can be seen from the table and figure above, 213 proposals (out of 637 approved in 2018-2019) have been identified as municipal climate change mitigation activities (because of their energy saving and renewable energy generation potential) and analyzed.

In the table below distribution of community level mitigation proposals by regions and sectors is provided.

Table 7: Breakdown of subvention proposals with climate change mitigation potential approved in 2018-2019

SECTORS	Ararat	Aragatsotn	Armavir	Gegharkunik	Lori	Kotayk	Shirak	Syunik	Tavush	Vayots Dzor	TOTAL	%
Public buildings and facilities*	13	13	6	17	11	17	9	10	2	9	107	50.7%
Street (outdoor) illumination	7	18	1	17	11	5	5	3	1	7	75	35.2%
MABs	0	1	2	2	2	1	1	3	4	0	16	7.0%
Renewable energy generation (PV)	0	0	0	0	6	0	7	0	0	2	15	7.0%
TOTAL	20	32	9	36	30	23	22	16	7	18	213	100%

Note: *) administrative buildings, kindergartens, houses of culture, community centers

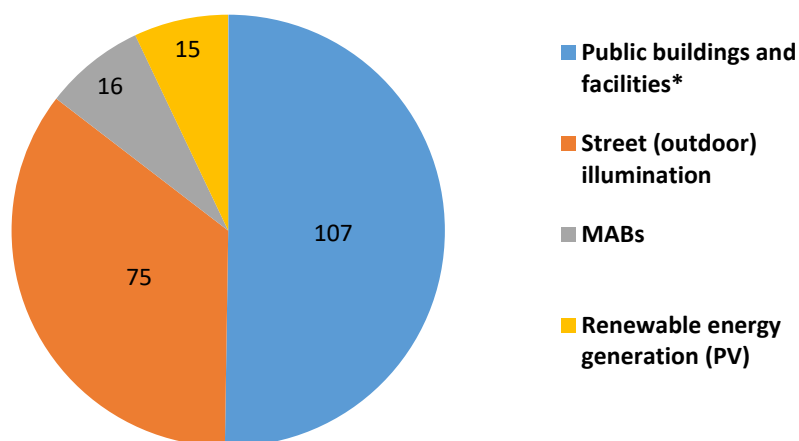


Figure 3: Breakdown of subvention proposals with CC mitigation potential approved in 2018-2019

In the table below, distribution of projects by sectors for 2018 and 2019 is demonstrated.

Table 8: Sectoral distribution of subvention proposals approved in 2018 and 2019

Year	Asphalting of streets	Potable water supply and drainage	Irrigation system	Street lighting system	Renewables (PV)	Gasification of settlements	Kindergartens	Public buildings	MABs	Parks and gardens	Acquisition of machinery	Improvement or closure of landfills	Other	TOTAL
2018	53	22	6	19	3	0	9	19	1	9	8	1	4	154
2019	154	58	35	56	12	15	44	51	15	16	23	0	4	483

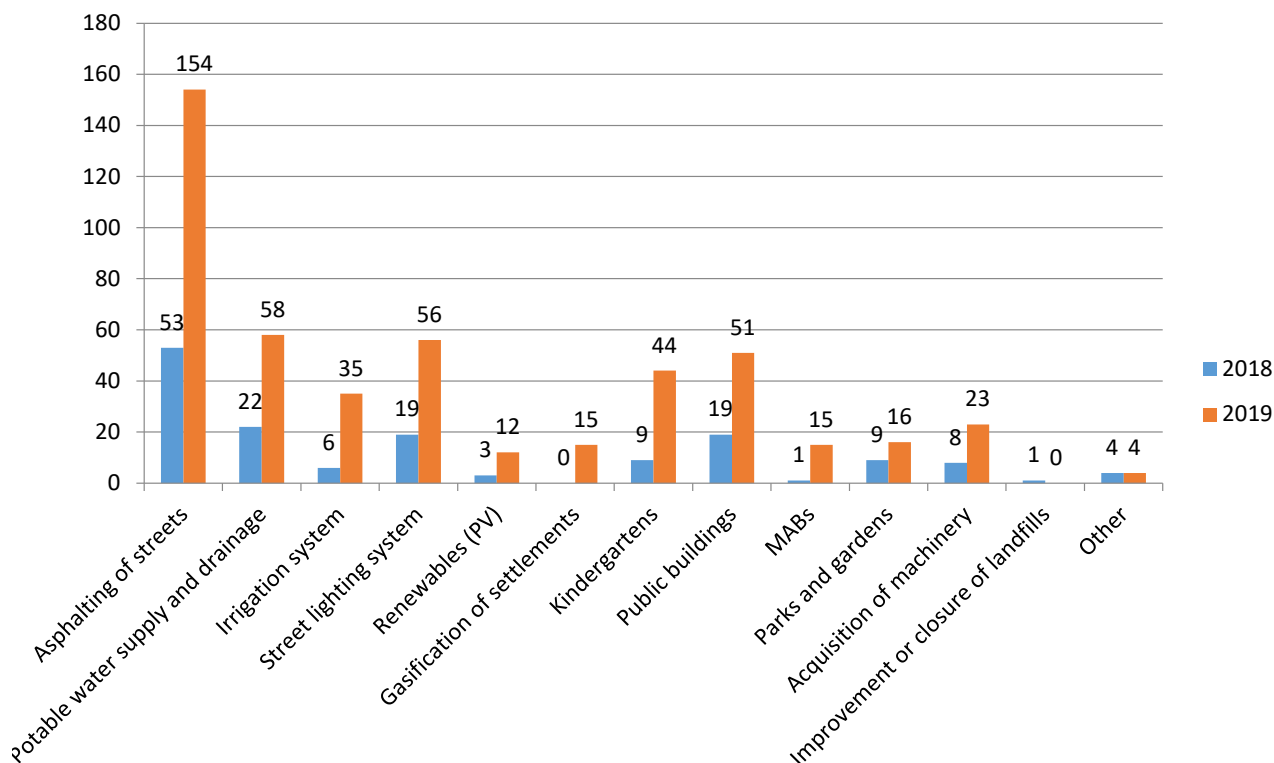


Figure 4: Sectoral distribution of subvention proposals approved in 2018 and 2019

From the data above it is seen that the total number of subvention projects approved in 2019 has almost tripled the number of projects approved in 2018.

In the sectors with mitigation potential the following dynamic has been observed.

Table 9: Dynamic of growth of project proposals with mitigation potential from 2018 to 2019

SECTORS	2018	2019	Growth
Public buildings	19	51	2.7
Kindergartens	9	44	4.9
Street (outdoor) illumination	19	56	2.9
MABs	1	15	15.0
Renewable energy generation (PV)	3	12	4.0
TOTAL	51	178	3.5

Overview of the state support to municipal projects in 2018

According to the information available at the website of MTAI, 153 projects received co-financing from the 2018 RA state budget in the amount of 1.62 billion AMD and have been implemented mainly in 2018 (a small number of projects had been postponed from 2018 to 2019 and have been already completed).

Information on number of projects co-financed from 2019 state budget will be available after 20.12.2019

In the table below information on number of implemented municipal projects and distribution of state budget co-financing for 2018 is introduced.

Table 10: Breakdown of 2018 state budget co-financing support and number of implemented projects by regions

Region	Projects	2018 state budget co-financing (AMD)	Distribution of co-financing (%)
Gegharkunik	41	428,965,283	26.47%
Lori	20	223,175,296	13.77%
Syunik	10	217,305,363	13.41%
Shirak	10	188,786,373	11.65%
Aragatsotn	21	159,806,845	9.86%

Kotayk	17	157,344,070	9.71%
Vayots Dzor	14	120,107,666	7.41%
Tavush	7	56,301,644	3.47%
Armavir	7	40,539,006	2.50%
Ararat	6	28,362,282	1.75%
TOTAL	153	1620693828	100%

Overview of the state support to municipal projects with mitigation potential in 2018

As mentioned above, 2013 proposals (out of 637 approved ones) have been identified as municipal climate change mitigation activities (because of their energy saving and renewable energy generation potential) and analyzed. In the table below distribution of community level mitigation proposals by regions and sectors is provided.

As it is seen from the above table and figure, the biggest number of applications with mitigation potential is developed in the sector of street lighting and public building.

Out of the above mentioned 213 project proposals 40 have been co-financed from the 2018 state budget and implemented. Information on the co-financed projects is introduced in the below table.

Table 5: Breakdown of 2018 state budget co-financing support to the projects with mitigation potential

Sector	Projects	Co-financing in 2018 (AMD)		Approved and actual co-financing ratio (%)*
		approved	actual	
Street (outdoor) illumination	18	177,690,716	113,560,957	63.9%
Renewable energy generation (PV)	3	40,221,670	24,453,525	60.8%
Activities in MABs	1	30,355,284	17,989,964	59.3%
Activities in public buildings	18	260,744,635	182,943,068	70.2%
TOTAL	40	509,012,305	338,947,514	66.6%

Note: *) The volume of the state co-financing is decided based on actual price proposals of the bid winners.

Detailed information on approved proposals with mitigation potential is available in the Excel database.

Evaluation of actual mitigation impact of municipal projects

According to the information provided by MTAI, the Ministry performed regular (weekly) implementation monitoring of the proposed municipal subvention projects. However, at the moment, the Ministry cannot provide detailed information on the results of already completed and ongoing subvention projects in terms of actually applied technologies and achieved energy saving and or renewable energy generation results.

Hence, due to the lack of official and reliable information on the results of projects, within the framework of this study it is not possible to give any qualitative (description of applied technologies) or quantitative (achieved energy saving or renewable energy generation in MWh) assessment of implemented activities. Such evaluation can be carried out upon availability of monitoring information.

Alternatively, preliminary assessment of mitigation potential can be made based on detailed description of proposed activities; however, this may be quite time-consuming assignment that will result in very approximate assessment of mitigation potential that will definitely differ from the actual results.

At the same time, the Ministry refers to the technical assistance provided by UNDP Armenia in examination and preliminary screening of 173 proposals aimed at ensuring compliance of the proposed activities with the minimum energy efficiency and national regulatory framework requirements, as well as checking appropriate consideration of the quality of designs and application of technologies and materials.

As a result 126 applications have been selected for the further detailed technical assistance. According to MTAI, all application not-complaint to the mentioned requirements have been returned to applicants for reconsideration and improvements.

Thus, it can be expected that municipal projects implemented under support of the state subvention program will contribute to climate change mitigation, however, estimation of actual and expected energy saving and CO₂ emission reduction can be done once detailed information (e.g. monitoring reports) on projects is made available