# National Adaptation Plan process in focus: Lessons from Armenia

The Republic of Armenia is a small landlocked country in the Caucasus region, with an area of  $29,743m^{2(1)}$  and a population of 2,998,600.<sup>(2)</sup> The terrain is mostly mountainous, with fast flowing rivers, and few forests.<sup>(3)</sup> The climate is highland continental, which means that Armenia is subject to hot summers and cold winters. Agricultural lands cover 69 percent of the territory<sup>(4)</sup> and agriculture employs 44 percent of the population, although agriculture's contribution to the overall economy is declining<sup>[6]</sup> The service sector, including recreation, transport, finance, and insurance, is rising, alongside expected growth in industry - including mining<sup>(7)</sup>Armenia is in the final stages of a political transition from a semi-presidential system to a parliamentary republic. Low commodity prices, declining remittances, and increased political uncertainty have undermined Armenia's economic growth and reversed the trend in poverty reduction.<sup>(8)</sup> In terms of its Human Development Index rating (2016), the country is 84th out of 188 countries.<sup>(9)</sup>Whilst the country is considered to be in the high human development category, 35 percent of the population live below the national poverty line,<sup>10)</sup> and there is notable geographical disparity in wealth distribution. (11)

## Climate change risks (12)

A significant annual mean temperature increase of 1.03°C between 1935-2012 can already be observed in Armenia, with a decrease of 10 percent in precipitation during the same period. Extreme weather events – including heavy rainfall and hailstorms – are increasing in frequency. Rising temperatures, hot and dry summers, water scarcity and decreases in river flows are expected. Climate change will worsen desertification and land degradation.

These challenges are already affecting 80 percent of agricultural lands. Decreases in crop yields are also projected, whilst changes in ecosystems are anticipated. There is a high degree of infrastructure and settlement vulnerability to climate change. Hazards such as landslides and flash floods are expected to impact urban areas.

An increase in hot days and heat waves will have a direct impact on health, including an increase in cardio-vascular diseases. As a result, rural and low-income households are considered particularly vulnerable to climate change.<sup>(13)</sup>

## Groundwork for supporting the NAPs process

## Policy, planning and budgeting

The Strategic Program of Prospective Development 2014-2025 is the main overarching development strategy of the country. It mentions climate change, which needs to be addressed in order to improve rates of economic growth. A strong focus is given to mitigation and emissions reduction. The country has a set of climate-relevant environmental laws (e.g. Water Code, 2002, and Law on Energy Saving and Renewable Energy, 2004) and policies (e.g. National Forest Policy, 2004, and Strategy on Sustainable Development of Agriculture, 2004). However, these existing laws and policies do not have a specific focus on climate change. To address that gap there is a government decision on the development of national action plans for each sector sensitive to climate change (Decision No. 1594, 11.2011).

The National Strategy on Disaster Risk Management (2017) integrates climate change and incorporates SDGs. The ratification of the Paris Agreement entered into force in Armenia in April 2017. Armenia's Nationally Determined Contribution (2015) contains five underlying principles, including one related to adaptation, as follows: 'Apply an ecosystem-based approach to mitigation and adaptation actions, giving preference to balanced and combined actions.' Adaptation activities will be prioritised based on the most vulnerable sectors to climate change, summarised in the table overleaf.





## Priority adaptation sectors in NDC

Most vulnerable sectors to climate change, for priority adaptation activities (NDC, 2015)
a. Natural ecosystems (aquatic and terrestrial, including forest ecosystems, biodiversity and land cover)
b. Human health
c. Water resource management
d. Agriculture, including fishery and forests
e. Energy
f. Human settlements and infrastructures
g. Tourism

The Armenian government has adopted a decree 'on approval of the concept of the establishment of innovative financial and economical mechanisms in the field of environment', (Protocol Decree No. 47, 14.11.2013), which includes establishing a civic revolving investment fund. The fund is aimed at establishing the relevant financial mechanism for climate change mitigation and adaptation (combating climate change impact) measures. To date, a range of climate change projects have been implemented in the country, with the support of the EU, GEF, World Bank, UNDP, bilateral donors and NGOs.

### **Climate assessments**

Armenia has submitted a First (1998), Second (2010) and Third National Communication (2015) to the UNFCCC, which have included vulnerability assessments. The Third National Communication carried out assessments at regional level and for the following sectors: water, agriculture, natural ecosystems and biodiversity, settlements and infrastructure, and health. The Hydromet Service provides hydrometeorological data, including information on extreme events and climate change. Whilst there is good coverage of the country, more weather stations are required at the highest altitude. There are several academic institutions which conduct climate research, using hydrometeorological data.

A rapid capacity assessment carried out in the context of the NAP process identified, amongst other factors, the need to strengthen climate monitoring and data systems at sectoral level, as well as to create a platform for sharing adaptation information. So far, there has been more focus on mitigation in Armenia. Consequently, there is a need for increased awareness about climate change adaptation.

## Implementation of adaptation actions

A range of adaptation projects have been carried out in Armenia, in relation to sustainable natural resource management, including: land, forestry, biodiversity, water and agriculture. Some key projects include:

- Adaptation to Climate Change Impacts in Mountain Forest Ecosystems of Armenia, 2009-2016, funded by the GEF.
- Sustainable Management of pastures and forest in Armenia to demonstrate climate change mitigation and adaptation benefits and dividends for local communities, 2013-2017, funded by the EU.
- Mitigation of Climate Change Risks of Rural Communities through Improved Local Development Planning project as one of six pilot countries under Integrated Climate Risk Management Programme Phase I, 2013-2016, funded by the Government Sweden and UNDP

Armenia has learned the value of involving all stakeholders for any planning and implementation, which is also a guarantee for strong political will, support and a favourable

## environment.

Mr. Artsvik Minasyan, Minister of Nature Protection of the Republic of Armenia





# The process to formulate and implement NAPs in Armenia

#### Institutional arrangements

The Ministry of Nature Protection (MoNP) is the authority in charge of coordinating actions related to the UNFCCC and climate change. An Inter-Agency Coordinating Council, chaired by the Minister of Nature Protection advises on the implementation of the country's commitments under the UNFCCC. The Council is comprised of 14 ministries, two state agencies, the Armenian Public Services Regulatory Commission, the Armenian National Academy of Sciences, and the UNFCCC National Focal Point. It is supported by an inter-agency working group. The Council's tasks include the adoption of a national plan for adaptation.

#### **NAP Timeline**

Armenia's NAP will provide a conceptual approach for implementation of the national direction on adaptation, "applying an ecosystem-based approach to adaptation", as articulated in the NDC, and do so in the form of either guidelines/technical regulations or sub-legislation. It will further guide the mainstreaming of adaptation into sectors and into relevant strategies, plans and policies. The NAP process was initiated in 2016 through workshops and stakeholder discussions. Support has been provided by UNDP under the NAP-Global Support Programme (NAP-GSP). The process has since included a Government Decree, a stocktaking exercise, the development of a roadmap and a funding proposal to the Green Climate Fund (GCF), as outlined in the timeline below.

#### June 2016

Armenia participated in Eastern European, Caucasus and Central Asia Regional Workshop on the NAP process in Chisinau, Moldova.

#### December 2016 onwards

The drafting of a GCF NAP Readiness proposal began, after which it has been updated and revised.

#### February 2017

A stocktaking report and a preliminary roadmap for advancing the NAP process in Armenia were developed and the funding proposal submitted to the GCF Readiness programme.

#### Challenges

There is a lack of awareness and capacity with regards to climate change adaptation, particularly in sector ministries. Adaptation is yet to be integrated into planning processes, at both national and sectoral levels. To date, more emphasis has been given to mitigation. The Inter-Agency Coordination Council lacks a clear mandate on adaptation, with roles and responsibilities.

#### Successes

Armenia has a solid information base on past and current climate changes, vulnerabilities, impacts and adaptation activities, which can inform medium- to long-term adaptation planning. In addition, successes from implemented adaptation actions can be built upon for scaling-up practices. For example, the Adaptation to Climate Change Impacts in Mountain Forest Ecosystems of Armenia project promoted a range of adaptation policies and practices, such as bans on agriculture waste in agricultural lands adjacent to forests. Along with capacity building of forest management units in Syunik region, this has enabled a drastic decrease in forest fires in the Syunik region, whilst in the last 4 years forest fire incidents have increased in all other parts of the territory of Armenia.

#### December 2016

A stakeholder roundtable was held to identify needs for Armenia's NAP process. An initial rapid capacity assessment and stakeholder identification was carried out.

Government Decree (Government Protocol Decree 49-8 of 2016) on NAPs was approved to 'Develop and submit to the Republic of Armenia Government's approval of the Concept of Ecosystem Approach to Climate Change Adaptation, and National Adaptation Programme (NAP)'

## What is the process to formulate and implement NAPs?

The Conference of Parties (COP) to the United Nations Framework Convention on Climate Change (UNFCCC) established the National Adaptation Plan (NAP) process in 2010, to enhance country-led planning and preparedness for climate change adaptation (CCA) in the medium and long-term. The objectives of the NAP are to reduce vulnerability to the impacts of climate change and to integrate adaptation into all levels of development planning. The NAP process is multi-sectoral, involving Ministries of Environment as well as Planning and Finance, in addition to other key Ministries. By bringing greater institutional integration and coordination to adaptation planning, NAPs can enhance ongoing national development planning processes, safeguard development gains, and build resilience.

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### **Opportunities**

The country has the opportunity to move from ad hoc, projectbased adaptation to cross-sectoral medium- to long-term planning on adaptation.

The mission and mandate of the Inter-Agency Coordination Council, with regards to adaptation, can be defined and an action plan developed to support the NAP process.

A conceptual note for NAP implementation will be developed, in line with the adaptation approach defined in the NDC (Government Decision 49-8 of 2016). The approach defined in the NDC ensures synergy with existing environmental policies and other environmental conventions. It also gives preference to balanced and combined actions on adaptation and mitigation. The NDC further proposes the establishment of a financial mechanism for mitigation and adaptation projects. This would include both the domestic, climate revolving civil fund referred to above (replenished by environmental fees, ecosystem services and carbon taxing), as well as external finance. In addition, Armenia is expecting to submit its GCF NAP-Readiness proposal in the last quarter of 2017.

Sectoral mainstreaming of climate change adaptation into planning, budgeting and decision-making will be reinforced in priority sectors and the development of one initial regional adaptation plan is envisioned. Adaptation can be further mainstreamed into the national development framework. The engagement of the private sector in adaptation will be sought.

#### **Notes**

- (1) National Statistical Service of the Republic of Armenia (n.d.). *Geographic Characteristics of the Republic of Armenia.*
- (2) National Statistical Service of the Republic of Armenia (n.d.).
- (3) <u>Ministry of Nature Protection of the Republic of Armenia (2015). Third</u> <u>National Communication on Climate Change under the United Nations</u> <u>Framework Convention on Climate Change.</u>
- (4) National Statistical Service of the Republic of Armenia (n.d.).
- (5) The World Bank (2012). The Republic of Armenia Climate Change and Agriculture Country Note.
- (6) Asian Development Bank (2017, p.115). Asian Development Outlook 2017; Transcending the middle-income challenge.
- (7) Asian Development Bank (2017, p.115).
- (8) The World Bank (2017). An overview of the World Bank's work in Armenia.
- (9) <u>United Nations Development Programme (2016). Human Development</u> <u>Report for Armenia.</u>
- (10) The World Bank (2012).
- (11) <u>The World Bank (2017).</u>
- (12) Ministry of Nature Protection of the Republic of Armenia (2015).
- (13) <u>Stockholm Environment Institute & United Nations Development</u> <u>Programme (2009). The Socio-Economic Impact of Climate Change in</u> <u>Armenia.</u>
- (14) United Nations Development Programme (2011). Regional Climate Change Impacts Study for the South Caucasus Region.

#### Key documents

- Third National Communication of Armenia, 2015
- INDC to the UNFCCC, 2015
- Strategic Program of Prospective Development 2014-2025



#### About the NAP-GSP

The joint UNDP-UN Environment National Adaptation Plan Global Support Programme (NAP-GSP) was launched in June 2013, financed by the Global Environment Facility (GEF) Least Developed Countries Fund (LDCF), and the Special Climate Change Fund (SCCF). The NAP-GSP, together with partners, are assisting developing countries to identify technical, institutional and financial needs to integrate climate change adaptation into medium and long-term national planning and financing. The NAP-GSP provides technical expertise and guidance on country NAP processes, and provides opportunities for knowledge exchange on NAPs.

# NAP-GSP

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