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KEY HIGHLIGHTS MAY 2023 - MAY 2024

ARMENIA





"Through engagement in the process of Portfolio design, we have expanded our understanding and perceptions of how complex the challenges are and how many interconnected factors we shall address while developing and implementing our interventions. The networks of parts engaged were developed because of the design process and will continue growing as we progress in our interventions. Now I get a sense that these new approaches would become some sustainable instruments for the municipality's role as the orchestrator for local economic and cultural developments."

Vardges Samsonyan, Gyumri Mayor, Armenia

"With the M4EG project we are embracing a portfolio approach to address the complexities of urban development. This approach recognizes that there is no single solution to the challenges cities face. Seeing support from the EU and UNDP, and commitment of the government, the investors have become further enthusiastic!"

Husik Sahakyan, Areni Mayor

"The Urban Imaginariness programme under the M4EG has been a transformative experience for our municipality. By researching and evaluating multiple cross-cutting areas, we are able to address our unique challenges and drive sustainable growth for the future."

Nazeli Arsenyan, Ashtarak City Council Member

"Deep engagement with M4EG created numerous valuable learning opportunities for our Municipal staff, tools and approaches which would be critical in sporting us to address the complex development challenges."

Ashot Tserunyan, Charentsavan Municipality Local Economic Development Officer

Abbreviations

CO	Country Office
EaP	Eastern Partnership countries
EU	European Union
EUD	European Union Delegation
LA	Local Authorities
LEDP	Local Economic Development Plans
LoA	Letter of Agreement
M4EG	Mayors for Economic Growth (Facility)
P4EG	Pathways for Economic Growth
RPA	Responsible Party Agreement
ULC	Urban Learning Center
UNDP	United Nations Development Programme

Key figures

number of new members	n/a
number of M4EG members	34 municipalities
Number of deep demonstrators	
Portfolios	3 (Areni, Gyumri, Kapan)
Urban Imaginaries	3 (Alaverdi, Ashtarak, Charentsavan)
people reached via comms channel	at least 30,000
number of events/sessions	75 events, sessions, meetings <ul style="list-style-type: none">• 4 Bootcamps• 23 Learning events for M4EG Network and on Innovative Urban Development Approaches• 36 mentorship sessions• 12 Portfolio team working meetings
number of municipal staff registered at Urban Learning Center/ULC	Over 70

Introduction

Armenia municipalities are supported in their participation in the M4EG initiative

In 2023, M4EG saw an increased interest in the country network to build capacity in and adopt and apply innovative approaches and methodologies for more efficient development orchestration at the local level.

Since the beginning of the initiative, more than 100 in-person and online regional and national events have been held to foster stronger networking and bolster learning across the diverse cohort of local authorities and partners. The Public Sector Innovation Forum, organized in Yerevan in December 2024, brought together more than 60 local authorities, partners, and public sector innovators.

In June 2023 the first course under the Urban Learning Center (ULC) was finalized by UNDP and partners (Ove Arup, Climate KIC and TalTech). The course "Foundations for Future Readiness" in Armenian language was successfully launched in July 2023 and made available online. Moreover, two workshops were organized in Tsaghkadzor and Yerevan where 57 learners from 34 municipalities have had in-person opportunity to build capacity in understanding and applying now-days approaches in public administration.

In 2024, the ULC is set to expand its learning offerings with at least five new courses: "Pathways for Economic Growth," "Green and Just Transition," "Smarter & Inclusive Cities," "Introduction to Community Listening," and "Funding and Finance for Municipalities."

Key achievement under the Portfolio Journey marked the finalization of Portfolio's pilot phase for Areni municipality and kick off the portfolio journey for Gyumri and Kapan municipalities. Areni Sustainable Tourism Development Portfolio has gone through the second iteration, new upgraded options were designed and activated by the municipality team. All the Portfolio municipalities have recorded increased understanding and application of systems design approaches, as well as have extended partnerships and strengthened the municipality's role as the local development orchestrator.

The future-oriented steps, particularly with the Advanced Urban Imaginaries Programme 2024 where Charentsavan municipality was engaged, are laying down the groundwork for municipalities to not only adapt to current economic landscapes but to also shape their economic futures proactively. The M4EG initiative continues to evolve to stay relevant to changing realities.

One of the 2023 milestones is the finalization of the framework for the new economic development plan 2.0, the "Pathways for Economic Growth" (P4EG). The P4EG reflects the identity of M4EG with a focus on prosperous and thriving municipalities beyond the traditional economic growth paradigm. The P4EG package marked a soft launch at the M4EG Urban Forum held in October 2023. The final P4EG Methodology consists of a Guidance Note, with two parts: 1) Introduction and Overview of the P4EG, 2) P4EG Hands-on Guide, and an online and offline course offered under the ULC.

Connecting the M4EG network – broad engagement

Foundations for Future Readiness Workshops

Municipalities are at the center of this change and are facing a growing number of complex challenges from rapidly warming climate, to growing urbanization, as well as demographic shifts, to global pandemics and conflicts. To prepare for and adapt to an increasingly uncertain future, new tools and approaches can help municipalities be prepared for and support a sense of readiness for the changing future.

The Foundations for Future readiness workshops introduce space to discuss some of the key topics that will shape municipalities in the coming decades, with intention to boost the future readiness of municipalities to shape thriving and prosperous places.

This course has been designed for a broad range of municipal officials, ranging from municipal policymakers and planners to political leadership and mayors. It offers an opportunity for all municipal changemakers to learn a new foundation of future-readiness.

34 national network members have participated in ULC Foundations For Future Readiness Offline workshops, 56 municipal staff participants in total.



Foundations for Future Readiness Workshops, Yerevan, August 2023

Public Sector Innovation Forum: Innovation in Action: Leading Change and Transformation

December 5, 2023

The Forum primary focus was to respond to the urgency of enhancing the local authorities and public sector capacities with cutting-edge tools and innovative skills for evidence-based and human-centered development in the context of transformative agendas and urban rejuvenation. Through community-based learning of innovative practices in policymaking, the Forum collaboratively raised the most pressing issues and co-design ideas that ensure inclusive and human-centered transformation.

Community-based learning cultivated the development of a network of public sector innovators in Armenia. The Forum was a milestone in the journey towards a community of inspired and educated public sector representatives, who are well-equipped to lead change and transformation.

The municipality leaders have gained practical tools for innovation, acquiring new perspectives on policy design, building a valuable network of peers, fostering collaboration between government, municipal and non-government stakeholders. The event's impact was extended beyond its one-day duration. The forum initiated a ripple effect, inspiring public servants to adopt innovative mindsets and practices. The network of innovators fostered by the event drive transformational impact within the public sector, addressing challenges with creative solutions.



Public Sector Innovation Forum

Future-ready municipalities – deep engagement

PORTFOLIO DEVELOPMENT

The three frontrunner cities involved in the Portfolio Journey are progressing through their portfolio implementation and dynamic management at varying stages. The portfolio approach enables cities to adopt a comprehensive perspective on their economy, fostering a space for experimentation and strategic shifts in a direction driven by municipal leadership and partnerships. This method encourages adaptability, opportunity identification, and action reassessment.

The Portfolio Journey is a detailed two to three-year initiative aimed at deep learning and practical implementation, leveraging systems thinking to tackle complex issues beyond the scope of traditional project management. Municipalities partaking in the program are supported with up to €225,000 each for implementation, alongside expertise from technical partners and UNDP for portfolio design and dynamic management.

This approach is designed to aid decision-makers in addressing multifaceted challenges, serving as a transformative tool for cities and towns. It emphasizes the interconnectedness of various social challenges, pushing for comprehensive policy design and implementation at both national and local levels.

Areni municipal portfolio team



Field visit to Areni

Areni Municipality

Sustainable and Inclusive Tourism Development

Areni Municipality together with its population and local businesses, have the intent to leverage the distinct set of resources and capabilities. The collective will and well-known reputation as a wine region to design and dynamically manage an Urban Makeover Portfolio of Development Options, that attracts resources, informs policies and models actions, as a transformative intervention in the Sustainable Tourism space in the consolidated community of Areni to produce the following system-wide effects:

- Agreed shared ambition and strategic argument that commits to transformation and mobilizes all stakeholders towards the creation of an inclusive, innovative and resilient tourism sector.
- Enable and maintain a clean, green and safe environment for visitors and residents across generations, allowing social exchanges and mutual learning taking place.

A diverse, connected, sustainable and attractive tourism economy that attracts funding towards infrastructure renewal and other benefits applied to Areni's community as a whole.

As of April 2024, Areni Municipality has completed implantation of the options aiming at creating participatory portfolio management mechanisms and communication channels between all the amalgamated municipality localities (9 villages), has made progress in implementation of the previously activated options, as well as has gone through the [Areni Sustainable Tourism](#) development Portfolio iterations process and designed and activated new options, which are to be completed by December 2024.

Gyumri Municipality

Cultural Tourism

Gyumri, the second-largest city in Armenia with a population of 112,100, is an urban municipal community and the administrative center of Shirak Province. Known as the "culture capital of Armenia," it boasts a rich history, heritage sites, cultural life, and unique customs. The challenges Gyumri faces are linked to the surge in tourist growth observed since 2018, which the city was not prepared to accommodate. Despite facing growing pains related to cultural and tourism development, the city has successfully reactivated its former cultural and touristic life post-covid pandemic. The city team decided to use the Portfolio Approach in developing resilient and equitable cultural tourism. Its vision is to turn Gyumri into an international cultural destination, benefiting local communities, visitors, and the preservation and replenishment of its cultural assets in the long term.

Intended effects:

- Gyumri becomes a known destination for cultural tourism around the world.
- The Municipality becomes the owner and manager of the comprehensive cultural tourism strategy in Gyumri.
- Visitors have positive and memorable experiences throughout their entire journey to and in Gyumri.
- Gyumri has the necessary infrastructure and conditions for the preservation and continues replenishment of its cultural capital.

Gyumri Portfolio options activation has created an opportunity for the municipality to innovate and define new structures and processes within the internal setup: some of the options were activated by the municipality, some by the municipality owned non-profit entities and for some others UNDP has continued providing support. The Municipality Portfolio team has developed new partnership to support content development as well as have formed working groups per options to engage with broader groups of stakeholders in generating new ideas and promoting innovative solutions.

Gyumri municipal portfolio team



Field visit to Gyumri municipality



Kapan municipality portfolio team



Field visit to Kapan municipality



Participatory community wellbeing poster, Kapan

Kapan Municipality Participatory Community Wellbeing

Kapan is a city in southeast Armenia, serving as the administrative center of the Kapan Municipality as well as the provincial capital of Syunik Province. The economy of Syunik is mainly based on the industrial sector, including mining, building materials production and food processing. After initial sensemaking and community listening, the team chose to focus their portfolio on creating a community where the well-being of all residents is at center.

Field visit to Kapan municipality

Intended effects:

- Kapan has an effective local authority that provides systemic solutions to its residents and attracts and manages external resources.
- Kapan has diversified its economy to better serve the needs of its residents.
- Kapan has a strong supportive social fabric with residents and has the agency to shape their community.

Since the **Portfolio activation** Kapan municipality team has built up new leadership and partnership capabilities to engage with both local business entities as well as new partners to support the designed options implementation. Moreover, the municipality team has connected with partner European sister cities to study existing experience and solutions for efficiently designing new municipal services and systems.

URBAN IMAGINARIES PROGRAMME

The Urban Imaginaries Programme was designed by the EU, UNDP and Centre for Public Impact (CPI) in 2021 to support small initiatives that seek to reimagine or reinvent key aspects of local living by applying human-centered design methodology and developing interventions by engaging with the community and other relevant stakeholders. During the programme, funding and technical support went to interventions that could be possible catalysts or acupuncture interventions for urban make-over, while ensuring long-term sustainability and linkages with the overall development of the city. Participating municipalities were also encouraged to re-think funding and partnerships around the selected area of interest. This engagement consisted of various models of interaction like one-on-one mentorship for cities, training in the design methodology, tools and templates to engage with the community, inspiration sessions spanning across relevant topics, Show & Tell sessions and learning exchanges. Alaverdi, Ashtarak and Charentsavan municipalities have made progress in their designed programs, their stakeholder engagement, analysis and experimentation.

Alaverdi Municipality

Reimagining community cultural spaces



Alaverdi Cultural House,
inside photo

Challenge and Discovery

Alaverdi's economic development is reliant on its cultural life. However, the city is facing decaying building facilities and a shrinking number of local cultural activities despite there being a demand for activities such as movie screenings, theatre and exhibitions. This slowdown has contributed to a significant loss of tourism activity and also affected local businesses and economic activity, unemployment rates and migration in the region. The team conducted user research to better understand the link between the city's cultural tourism and its economic development. One of the [key insights from this phase](#) was to identify specific areas where they could revive cultural life in the city, as well as secure the support of residents. The team also met with a diverse set of stakeholders including the city's youth, business representatives and artists, whose views shaped how the team moved forward in developing their ideas.

Progress and Learning

Renovation of the city's Culture House: The team set-up an experiment at the Alaverdi's Culture House and hosted different cultural groups for concerts and other events to better understand the interest levels of the city's residents. The team engaged with the owner of the building to facilitate this experiment and collaborated with local businesses and media to promote and hold performances for the city's residents. They engaged about 37 residents in this experiment.

Key learnings include viewing the challenge from multiple stakeholders' lenses, including the city's residents, and understand and incorporate their needs and requirements. Further, understanding the systemic factors at play is important to arrive at a solution. The team also highlighted the positives from experimentation and centering learning at the core of their efforts.

Future journey

The team is starting its work on developing and implementing solutions to the problem based on the tests and experiments conducted, keeping in mind the learnings across the project, including developing a financial model which ensures the sustainability of their work in the long run. The municipality is also taking steps to involve other stakeholders to mobilize additional funding for further work, and have received initial approvals.

Ashtarak Municipality

Reimagining public transport between communities

Challenge and Discovery

The city of Ashtarak was recently merged with 34 surrounding communities and settlements for administrative reasons. However, the team discovered there exist limited mobility options between these settlements and the main city of Ashtarak. This challenge affects various resident groups including farmers, students and other socially vulnerable groups, as well as tourists who visit the community, and hinders the overall local economic development of the settlement.

During the [Discovery phase](#), the team began user research by speaking to residents, and organised 5 meetings with government officials in the community's transport department. The discussion on improving public transport in the city assembly brought together 400+ people, more than half of whom were women. A major insight was to take into consideration the different needs of various groups who the team was targeting, such as persons with disabilities who required appropriately equipped vehicles, students, and the working population, both of whom required services at different times of the day.

Progress and Learning

Operationalising an inter-settlement route: Within the scope of this experiment, 1 minibus was leased for the experimental route twice a day. According to the team's projections, around 130 passengers on a daily basis would use this route. This assumption was confirmed during testing, where residents stated how valuable this new service was. The team also gathered important insights such as on frequency and timetables of routes, the need to introduce bigger buses at some times of the day and ensuring the buses are accessible.

Key learnings included recognizing residents as important stakeholders in the solution design process, and is equally important to involve all system actors in the codesign process to ensure success. Further, the HCD methodology provided the team insights on how to link program planning decisions to strategic planning of the community.

Future journey

The successful experimentation process and the buy-in of the city's leadership has led to funding of 12,000 AMD from the RA State Budget to purchase vehicles and set up requisite infrastructure on the identified routes. To ensure successful implementation and long-term viability of the project, the team is working on expanding their cooperation with the private sector and designing a strategy to raise additional funding.



Charentsavan Municipality

Reimagining public spaces and key heritage sites

Tatyana Darbinyan, student at Charentsavan municipality

Challenge and Discovery

Charentsavan has struggled to position itself as a tourism destination and is therefore planning to reimagine the city centre and make it more attractive and functional for both residents and tourists. The city plans on doing this by renovating its central roads as well as the key monument of the Curly Haired Boy, which also holds strong cultural significance for the city. The problem was chosen taking into account its frequent discussion in citizen assemblies, as well as its inclusion in the city's development plan.

During the [Discovery phase](#), the team began to understand the best way to reimagine the central road, park and the monument. The team conducted extensive user research and interacted with a diverse group of people, involving more than 450 people in discussions, including through online survey methods. The team understood the vital role played by local businesses to make the space a thriving economic centre, and the role pedestrian infrastructure plays in attracting local and international tourists.

Progress and Learning

Reimagining the Central Street: One part of Central Street, the Cinema Theatre Square, was refurbished into a cultural space. After tiling, roofing and installing a lighting system, a cultural event was organised by the city. Following this, the opposite part of the Central Street was also renovated, and the area adjacent to the square, which was used by the elderly was also tiled.

Supporting rural tourism in the community: The team worked on increasing the visibility of surrounding villages by co-financing and extending information and consultancy support to two major tourism initiatives in the villages: Arishta (Armenian Pasta) Festival organised in Bjni village and the Horse Riding Center established in Arzakan. They set-up a market which they tested over the period of a month to understand better what were users needs. About 20 residents were engaged by the team during this experiment.

Key learnings from the city included the restoration of trust between the people and the City Hall due to involvement of the residents in the design and experimentation process, and considering their needs and requirements across the program duration. This also played a vital role in the team continuing the work after the conclusion of the program.

Future journey

The team has managed to mobilise additional resources, and will receive government funding to renovate two-thirds of the central road of the city, including surrounding the monument at the entrance of the city and the station square. The team will also continue encouraging participation of residents in the advancement of their settlements, thus enhancing their connection to their community.

M4EG Armenia Country Network

The M4EG network in Armenia currently has 34 signatory municipalities. In 2023, a number of networking discussions and two in-person workshops on “Foundations for Future Readiness” ULC course have been conducted with participation of 52 signatory municipality representatives.

In 2023 Areni Portfolio made progress by activating all five options/interventions. The implementation has informed some changes to the content and flow of the initial design. Overall, two pilot options were completed in 2023: engagement of interested population in the amalgamated municipality and joint portfolio management, creation of communication mechanisms and channels, as well as the planned intervention in municipal capacity building. Despite challenges to move forward, Gyumri Municipality team is committed to implement their new portfolio strategy. The portfolio process of the Kapan Municipality saw active community engagement in spring 2023, and finalization of the seed portfolio interventions in July 2023 with contracting finalized in early fall.

During October-December 2023 the partner Portfolio municipalities faced challenges to address the crisis related to housing and humanitarian support of displaced people arriving from Nagorno Karabakh. Based on the needs assessments and analysis conducted at both national and local municipal levels, it was decided to and agreed to support Partner municipalities in addressing the above-mentioned needs: thus, in total USD 20,000 from each portfolio budget were repurposed for immediate humanitarian and winterization support, and it was agreed that additional up to USD 30,000 could later be repurposed for longer-term support. With the engagement of municipal social workers and based on the family needs assessments, the Kapan Municipality provided shelter/housing furniture, equipment, bedding and hygiene items to 34 families (217 people benefiting); and Areni Municipality provided winterization and heating equipment and materials to 60 families (284 people benefiting).

Learning opportunities

Urban Learning Center



Snapshot of the ULC online platform.

Following the launch of the Urban Learning Center (ULC) on the SparkBlue platform in 2022, in 2023 the platform has undergone continuous updates, including uploading new learning material and the overall improvement of user-friendliness, so to in the best way adhere to the municipal practitioners and their needs related to capacity building.

Courses under the ULC

A key milestone for the M4EG in 2023 was the finalization of the first course under the ULC, **“Foundations for Future Readiness”**. The Foundation Course recognizes that municipalities are at the forefront of today’s changes, from our rapidly warming climate, to growing urbanization, as well as demographic shifts, to global pandemics and conflicts. To prepare for and adapt to an increasingly uncertain future, new tools and approaches can help municipalities be prepared for and support a sense of readiness for the changing future.

The Foundation Course introduces some of the key topics that will shape municipalities in the coming decades. The eight brief modules introduce the green and just transition including the EU’s Green Deal, and smarter and inclusive cities, to approaches to managing complex problems and mobilizing municipal resources, funding and financing. The course provides a range of opportunities to learn; from video summaries and bite-sized content to interactive quizzes and activities to help municipalities apply these new learnings to their context. The course is designed for a broad range of municipal officials, ranging from municipal policymakers and planners to political leadership and mayors, and offers an opportunity for all municipal change-makers to learn a new foundation of future readiness.

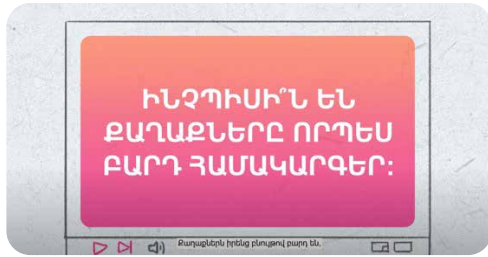
- Link to the online Urban [Learning Center Platform](#).
- Link to the online Foundation for [Future Readiness Course](#).
- Link to the recording of the [Foundation Course Launch](#).

The open-access course has also seen interest from other regions of the world:

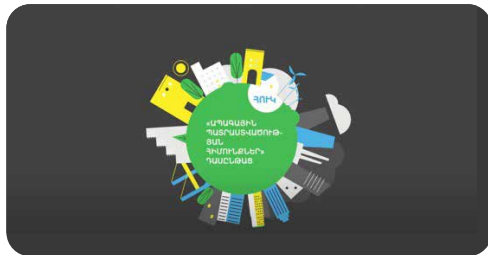
Upcoming launches under ULC in 2024

The Urban Learning Center (ULC) is set to expand its educational offerings in 2024, with five new course launches on the agenda. On 6th March 2024 the course Pathways for Economic Growth (P4EG) which is part of the P4EG Methodology will be launched. Anticipated to launch in spring are two deep-dive courses on **“Green and Just Transition”**, and **“Smarter & Inclusive Cities”**, alongside an **“Introduction to Community Listening”**. Finally, a course focused on **“Funding and Finance for municipalities”** highlighting pathways to remove bottlenecks for funding and financing for secondary cities, is being prepared for the latter half of the year by Arup and UNDP.

Library



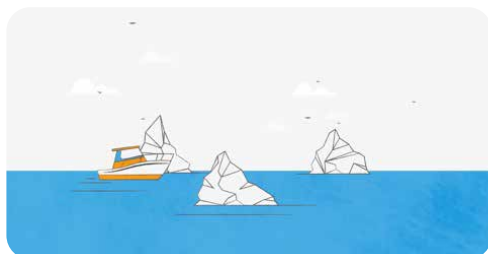
How are cities complex [ARM]



Urban Learning Center [ARM]



Community listening [ARM]



Pathways for Economic Growth [ARM]

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