
Annual Performance Report

Project/Programme title:	Forest resilience of Armenia, enhancing adaptation and rural green growth via mitigation (SAP014)
Accredited Entity:	Food and Agriculture Organization of the United Nations (FAO)
Date of Report submission:	16 April 2026
Version number	V1.0



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RATIONALE

This report layout is designed to support the drafting of a structured report that assesses, evaluates, documents, and communicates the progress on Funding Proposal (FP) implementation and on its associated Funded Activity Agreement (FAA). The layout aims to provide a clear and comprehensive understanding of key objectives, progress, and risks, drawing on project implementation related data provided by Accredited Entities (AEs). Considering the Green Climate Fund's (GCF) evolving strategic direction toward a Risk-Based Approach, the report is intended to:

- Track quantitative and qualitative progress of the project implementation.
- Highlight critical findings and emerging trends.
- Identify risks and propose actionable mitigation strategies.
- Support evidence-based decision-making.
- Promote transparency and accountability.
- Align with strategic and regulatory frameworks.
- Serve as a foundation for AE engagement on project performance

METHODOLOGY

The report's layout mirrors, to the extent possible, the structure of the Funding Proposal (FP) to maintain coherence with the presented information. However, the FP and the Report differ in scope and strategic intent; thus, while the FP serves a functional role in informing the Report, it does not dictate a strictly parallel structure.

A. PROJECT DATA (Prefilled where possible)

Should any information/data prefilled from Section A.1 to Section A.12 be incorrect or require updating, please inform GCF's Project Lead of appropriate corrective action.

A.1. Date of report submission		16 April 2026														
A.2. Project or programme	Project	A.3. Sector	Public													
A.4. Total Financing (GCF + Cofinance)	<table border="1"> <tr> <td>GCF Financing</td> <td>Mill. USD 10.0</td> </tr> <tr> <td>Grants</td> <td>Mill. USD 10.0</td> </tr> <tr> <td>Co-Financing</td> <td>Mill. USD 8.7</td> </tr> <tr> <td>Grants</td> <td>Mill. USD 2.4</td> </tr> <tr> <td>InKind</td> <td>Mill. USD 6.3</td> </tr> <tr> <td>Total Financing</td> <td>Mill. USD 18.7</td> </tr> </table>				GCF Financing	Mill. USD 10.0	Grants	Mill. USD 10.0	Co-Financing	Mill. USD 8.7	Grants	Mill. USD 2.4	InKind	Mill. USD 6.3	Total Financing	Mill. USD 18.7
	GCF Financing	Mill. USD 10.0														
	Grants	Mill. USD 10.0														
	Co-Financing	Mill. USD 8.7														
	Grants	Mill. USD 2.4														
	InKind	Mill. USD 6.3														
	Total Financing	Mill. USD 18.7														
A.5. Total GCF funding disbursed to this date	NA (draft)															
A.6. Implementation period	From NA to NA															
A.7. ESS Category (Refers to GCF revised <i>Environmental and Social Policy</i> and GCF ESS Standards to assess your FP category.)			Category C													
A.8. Executing Entity Information																
Full legal name	Country of registration (or, for intl orgs, country of HQ)	Entity type	Role in project	Focal Point(s) and email(s)												
Environmental Projects Implementation Unit, State Agency of the Ministry of Environment,	Armenia	Public sector – Government (which may be acting through a ministry or department)	Executing Entity	koryun-94@bk.ru												
FAO Armenia	Armenia	UN System Entity – a specialized agency, subsidiary organ or other part of the UN system	Executing Entity	FAO-AM@fao.org												

A.9. Co-Financier information

Full legal name	Country of registration (or, for intl orgs, country of HQ)	Focal Point(s) and email(s)	Ownership Type	Beneficial Owner(s)
Ministry of Environment	Armenia	minenv@env.am	Government	Government of Armenia
ADA (Austrian Development Agency)	Austria	Nora.Alanakyan@ada.gv.at	Multilateral or other international organization e.g. IFI	ADA (Austrian development agency)

Full legal name	Country of registration (or, for intl orgs, country of HQ)	Focal Point(s) and email(s)	Ownership Type	Beneficial Owner(s)
FAO Armenia	Armenia	FAO-AM@fao.org	UN System Entity – a specialized agency, subsidiary organ or other part of the UN system	Not applicable – UN System Entity
Autonomous Province of Bolzano	Italy	fs-vs@pec.prov.bz.it	Government	Italy
WWF Armenia	Armenia	office_am@wwfcaucasus.org	Multilateral or other international organization e.g. IFI	Switzerland

A.10. Alignment with country NDCs & NAP (NB Only populate if applicable, e.g., if your project/programme specifically contributes to a country's NDC or NAP target/s)

Country	Date of NDC/ NAP submission	NDC/ NAP objective	Brief description of project's alignment with NDC/ NAP objectives	Percentage of target met with proposed project.Beneficial owner(s)
Armenia	5 May 2021	Armenia First NDC (Updated submission) objective is to enhance climate resilience and mitigation in the forestry sector through afforestation, sustainable forest management, ecosystem restoration, and strengthening institutional capacity to reduce greenhouse gas emissions and improve adaptive capacity of forest ecosystems and rural communities.	The project contributes directly to Armenia's NDC mitigation and adaptation objectives by promoting afforestation, sustainable forest management, and strengthening forest governance and monitoring systems. It supports establishment of climate-adaptive forest nurseries, afforestation and restoration of approximately 7,300 hectares, and capacity development in climate-adaptive silviculture and forest management. The project also promotes energy-efficient wood-stoves to reduce pressure on forests and strengthen sustainable forest use. In addition, it enhances national forest monitoring systems, improves institutional capacity, and supports climate-resilient forest governance at community and national levels. These interventions reduce emissions from forest degradation, enhance carbon sequestration, and strengthen resilience of forest ecosystems and rural communities, directly supporting Armenia's NDC priorities related to sustainable forest management, mitigation, and climate adaptation.	100%

Country	Date of NDC/ NAP submission	NDC/ NAP objective	Brief description of project's alignment with NDC/ NAP objectives	Percentage of target met with proposed project.Beneficial owner(s)
Armenia	24 September 2021	Armenia's NAP objective is to strengthen climate resilience of ecosystems, agriculture and rural livelihoods through sustainable land management, restoration of degraded landscapes and improved climate-resilient natural resource governance.	The project contributes to Armenia's National Adaptation Plan by strengthening climate resilience of forest landscapes and rural livelihoods through restoration of degraded forest ecosystems and sustainable forest management practices. The project supports reforestation and forest landscape restoration activities that enhance ecosystem resilience, reduce land degradation and improve adaptive capacity of communities dependent on forest resources. It also strengthens institutional capacity for climate-resilient forest governance, monitoring and sustainable land-use planning. By improving forest ecosystem health and promoting sustainable land management, the project contributes to national adaptation priorities related to ecosystem resilience, land restoration and climate-resilient rural development.	100%

A.11. Estimated duration of impact	
A.12 Report to be shared with NDA	Yes ☐ No ☐

B. EXECUTIVE SUMMARY

Should any information/data prefilled in Section “B” be incorrect or require updating, please inform GCF’s Project Lead for appropriate corrective action.

B.1. Summary

Armenia is among the most vulnerable countries to climate change in Eastern Europe and Central Asia. Its forests are highly sensitive to climate change, while rural communities rely heavily on fuelwood for energy.

Focusing on the forest-energy nexus, the project - the country’s first forestry-oriented - targets adaptation and mitigation in two of the country’s areas most vulnerable to climate change in Lori and Syunik. It will strengthen the role of communities governing and managing natural resources through forest concessions and improved fuelwood management, timber production and non-wood forest products. It also supports energy-efficient technologies in households and the private sector to reduce pressure on ecosystems.

During the 2025 reporting period, implementation advanced across all components, delivering concrete results in forest restoration, climate-adaptive nursery development, energy-efficient technologies, and strengthened forest governance.

Under Component 1, climate-adaptive seedling production was enhanced through technical assistance and on-the-job training provided to Hayantar State Non-Commercial Organization (SNCO) staff at target nurseries. Approval was secured for constructing four additional greenhouses in Vanadzor. Planting activities across 474.8ha were carried out in Lori and Syunik. In late 2025, extreme snowfall damaged two project-supported greenhouses in Hrazdan. FAO coordinated with the Government and issued technical recommendations for reconstruction, along with improved winterization and monitoring measures. Reconstruction is planned before the 2026 sowing cycle to ensure continuity of seedling production.

Under Component 2, the design of an energy-efficient woodstove was finalized, and prototypes prepared for laboratory validation.

Under Component 3, the National Forest Inventory progressed through field data collection, supported by targeted training for survey teams. A Swiss-financed arrangement of USD315,000 was finalized ensuring continuity of monitoring activities.

Capacity development efforts reached over 350 participants, strengthening institutional and local capacities in climate-resilient forest management.

Challenges, including extreme weather and procurement delays, were addressed through adaptive planning and strengthened coordination.

C. RESULTS AND IMPACTS

C.1. Overall Summary of the Project Progress

(This section provides a narrative report summarizing the overall progress of the implementation status of the funded activity progress during the reporting period. 1,500 words)

1. Overall Progress in 2025

During the reporting period (January-December 2025), the project “*Forest resilience of Armenia, enhancing adaptation and rural green growth via mitigation*” continued advancing implementation across all components, in forest restoration, climate-adaptive seedling production, energy-efficient technologies, and strengthened forest governance systems. Implementation focused on expanding nursery production capacity, scaling up afforestation and restoration interventions, advancing the National Forest Inventory, and progressing the energy-efficient wood stoves development for rural households.

Forest restoration activities progressed across Lori and Syunik marzes, where planting interventions were implemented across mapped areas. Planting works covered 474.8 ha. Continuous technical support improved nursery management practices, including seed treatment, seed collection, and seedling hardening techniques at the Hrazdan and Sisian nurseries. Capacity-building activities reached over 350 participants, including forestry specialists, monitoring teams, vocational institutions, manufacturers, and community groups, strengthening skills in climate-adaptive forestry, monitoring methodologies, and energy-efficient technologies.

Implementation progress was influenced by contextual challenges. Extreme snowfall in late 2025 damaged project-supported greenhouse infrastructure, temporarily affecting seedling production capacity. Procurement delays related to fencing materials and equipment also affected the timing of certain field activities. Through rapid technical assessments, reconstruction planning, and strengthened coordination among implementing partners, the project-maintained progress toward achieving its planned outputs and outcomes.

The project mid-term evaluation was initiated in December 2025 and is expected to be submitted to the GCF in 2026.

2. Key Achievements by Component

Under **Component 1**, the project continued strengthening climate-adaptive forest restoration and nursery production systems. Technical support and on-the-job training were provided to Hayantar State Non-Commercial Organization (SNCO) nursery staff at the Hrazdan and Sisian nurseries on seed treatment, storage, germination, and seedling hardening practices, improving seedling quality and survival rates.

Preparatory activities for the establishment of the third forest nursery in Vanadzor were also advanced. The nursery site received final approval in June 2025, the land certificate was issued in September 2025, and the site layout and design package were completed. The construction company was selected through tender procedures in 2025, enabling construction of four greenhouses planned to commence in 2026.

Afforestation and enrichment planting activities were implemented across mapped forest areas in Lori and Syunik marzes. In 2025, a total of 559 ha of land was mapped, of which 474.8 ha was planted. Experimental direct sowing of oak seeds was also applied on selected sites to complement traditional planting approaches.

Maintenance activities were carried out on both 2024 and 2025 planting areas, including soil loosening and grass cutting to support seedling establishment. Preparatory work for restoration of degraded coppice forests progressed through demonstration-based training and selective upgrading approaches. Forty Hayantar specialists were trained on coppice forest restoration techniques, while tree marking was completed on over 100 hectares of degraded coppice forests in Lori and Syunik marzes.

To strengthen operational capacity for restoration activities, FAO procured tree-marking materials including approximately 2,000 spray paints and 175,000 laser tags for tree marking purposes in coppice forest stands to prevent unrecorded, unauthorised tree cutting. Through Austrian Development Agency funding, two tractors were also procured to support forest restoration operations and enable the effective use of previously procured wood shredders.

Component 2 focused on reducing pressure on forest ecosystems through the development of energy-efficient wood stoves and strengthening local technical capacities. Technical design and specifications for improved woodstove prototypes were finalized, and four prototype models are being produced for laboratory testing. A specialized local laboratory partner was identified to conduct efficiency, emissions, and safety testing scheduled for early 2026.

Capacity development for local production of improved woodstoves was strengthened through vocational training and technical master classes. A specialized Welding, Plumbing and Electricity curriculum was developed by the FAO National Expert on Welding in cooperation with the Institute for Vocational Education and Training and vocational institutions. Based on this curriculum, practical master classes were delivered at vocational schools in Kajaran, Alaverdi, and Vanadzor, combining theoretical instruction with hands-on training in welding techniques, inspection methods, and

safe equipment use. These sessions reached approximately 103 participants, including students, teachers, and professional welders.

Additional targeted training was delivered to 20 woodstove manufacturers on energy-efficiency standards, welding quality, plumbing, electricity, and gender considerations. Technical missions conducted with international experts from Eurac Research assessed national manufacturing capacities including consultations with six private sector manufacturers, helping establish a foundation for scaling up local production of energy-efficient woodstoves.

Component 3 continued strengthening forest governance, monitoring systems, and community engagement in sustainable forest management. Progress continued implementing the National Forest Inventory (NFI). Field data collection for the first- and second-year permanent inventory plots was conducted by the Hydrometeorology and Monitoring Centre, while the collected data is currently undergoing review by an FAO international expert. Implementation of the NFI is progressing, although operational challenges related to field accessibility, staffing capacity, and quality assurance remain and are further described in the risk section.

To accelerate field operations in remote and difficult-to-access forest areas, a newly established NFI field team received training on inventory methodologies and field measurement procedures. The NFI service provider also received introductory training on digital data management tools, including the Open Foris ARENA platform and ARENA mobile application, strengthening national capacities for digital forest monitoring tools. To ensure continuity of forest monitoring activities, a USD 315 000 financing arrangement with the Swiss Agency for Development and Cooperation (SDC) was secured to substitute Government co-financing.

Monitoring of restoration activities was further supported through UAV-based orthophoto monitoring of planting areas established in 2024 and 2025.

Policy development efforts also progressed during the reporting period. Following successful piloting of selective upgrading approaches, a draft regulation on coppice forest restoration was prepared by Environmental Project Implementation Unit (EPIU) EPIU and Hayantar and circulated by the Ministry of Environment for inter-agency review. The regulation aims to enable climate-adaptive management of degraded coppice forests and support its implementation at national scale once approved by the Government. Work also progressed on development of fuelwood management guidance aimed at promoting efficient fuelwood use and reducing pressure on forest resources.

Community engagement activities continued across Lori and Syunik marzes. Regional trainings on climate-adaptive forest management were conducted in collaboration with WWF, while targeted community trainings focused on sustainable harvesting of non-wood forest products and energy efficiency practices. Youth engagement activities were also implemented, including awareness-raising and hands-on training on forest nursery production and sustainable forestry for 45 high school students in Sisian.

Additional training on monitoring and evaluation, including on sex-disaggregated data collection was delivered by FAO M&E Specialist for EPIU, Hayantar, and FAO staff.

3. Innovations and Emerging Good Practices

Several innovative approaches and good practices emerged during the reporting period. In nursery management, the introduction of direct oak sowing in shaded areas increased seedling production and improved availability of planting material for future restoration cycles. Demonstration-based training on selective upgrading of degraded coppice forests provided a practical learning model that combines restoration interventions with capacity development of forestry specialists.

The project also demonstrated the value of integrating energy efficiency solutions with forest restoration strategies. By linking development of improved woodstoves with vocational training and sustainable forest management practices, the project addresses both drivers of forest degradation and rural energy needs. The use of UAVs and the Open Foris ARENA platform, and ARENA mobile application further strengthened data-driven forest governance and monitoring capacities.

4. Challenges and Risk Mitigation

Implementation in 2025 faced several operational and contextual challenges. Extreme snowfall damaged greenhouse infrastructure, potentially affecting seedling production capacity for 2026. Reconstruction planning was immediately initiated by the project.

Procurement challenges also affected implementation timelines, including delays in acquiring fencing materials for planting sites and unsuccessful tenders for auger equipment. Administrative procedures related to land allocation for the Vanadzor nursery also contributed to delays in infrastructure development.

Mitigation measures included strengthened coordination among FAO, EPIU, and Hayantar SNCO, adjustments to implementation schedules, strengthened greenhouse maintenance and winterization practices, and identification of alternative procurement solutions.

5. Priorities for 2026

Key priorities for 2026 include: i) constructing the Vanadzor nursery infrastructure, expanding national capacity for climate-adaptive seedling production; ii) scaling up forest restoration activities including on community lands; iii) strengthening maintenance on previously planted areas; iv) scaling up coppice forest operations to enhance forest resilience and carbon sequestration; and v) accelerating and strengthening National Forest Inventory (NFI) implementation by improving field data collection, reinforcing quality assurance, and scaling up digital monitoring tools.

Under Component 2, laboratory testing of woodstove prototypes will be completed, followed by stove production and preparation for beneficiary selection and deployment. Implementation of the NFI will continue with further field data collection and analysis, as well as strengthening capacities for use of digital monitoring tools. Continued community engagement and capacity-building activities will support sustainable forest management practices and promote adoption of energy-efficient heating in rural communities.

C.2. Performance against the Funding Proposal Logical Framework Indicators

For each of the indicators please report only the 'annual value' for the reporting year; this means reporting solely the values achieved from January 1st, 2025, to December 31st, 2025. The "cumulative value" will automatically be updated by the system by aggregating reported annual values since project FAA effectiveness.

Please ensure that targets are clearly defined and reported using the following categories:

- *Midterm Target:* The results to be achieved by the midpoint of implementation.
- *Final Target:* The results to be achieved by the conclusion of project or programme implementation.
- *Lifetime Target:* The total results expected over the entire operational period of the project or programme.

Note that the baseline, midterm, final and lifetime targets will be prefilled based on your previous Annual Performance Report and/or Funding Proposal. It is imperative that you carefully review, verify and update where relevant.

Should the project be Multicountry, please report the achievement by Country.

Lastly, avoid using commas or periods as thousand separators. Periods should only be used as decimal separators.

For REDD+ Results-Based Payment (RBP) projects, you are only required to report on the progress of activities.

Should any prefilled information/data in the Logical Framework be incorrect or require updating, please inform GCF's Project Lead for appropriate corrective action.

GCF Outcome Level: Standardized Indicators

PMF/IRMF Results Management Framework

No indicators/questions defined.

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO₂eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered

Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO₂eq) as a result of GCF support.

Unit				Tonnes of CO ₂ -equivalent		
Baseline	Target			Previous Year Cumulative Value	Annual value	Cumulative Value (automatically calculated)
	Mid-term	Final target	Lifetime			
0	1,997,539	5,992,616	19,975,387	0	0	0

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO₂eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered

Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO₂eq) as a result of GCF support, disaggregated by result area.

Unit							Tonnes of CO ₂ -equivalent
Disaggregation by: Result Areas (Mitigation)	Baseline	Mid-term	Final target	Lifetime	Previous Year Cumulative Value	Annual value	Cumulative Value
Buildings, cities, industries and appliances	0	17,570	52,709	175,697	0	0	0
Forestry and land use	0	1,979,969	5,939,907	19,799,689	0	0	0

(PMF) M1 Tonnes of carbon dioxide equivalent (tCO ₂ eq) reduced as a result of GCF-funded projects/programmes (IRMF) Core 1 Greenhouse gas (GHG) emissions reduced, avoided or removed/sequestered							
Provide the total GHG emissions reduced, avoided or removed/sequestered (tCO ₂ eq), disaggregated by Country.							
Unit							Tonnes of CO ₂ -equivalent
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Lifetime	Previous Year Cumulative Value	Annual value	Cumulative Value
Armenia	0	1,997,539	5,992,616	19,975,387	0	0	0

Buildings, cities, industries and appliances

No indicators/questions defined.

(PMF) M7.1 Energy intensity/improved efficiency of buildings, cities, industries and appliances as a result of Fund support (IRMF) Supplementary 1.1 Annual energy savings					
Provide the total energy savings (MWh)					
Unit					Megawatt-hour
Baseline	Target		Previous Year Cumulative Value		Cumulative Value (automatically calculated)
	Mid-term	Final target			
50,000	67,000	75,000	50,000		0

(PMF) M7.1 Energy intensity/improved efficiency of buildings, cities, industries and appliances as a result of Fund support (IRMF) Supplementary 1.1 Annual energy savings						
Provide the total energy savings (MWh) disaggregated by Country.						
Unit						Megawatt-hour
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Armenia	50,000	67,000	75,000	50,000	0	50,000

(PMF) M7.1 Energy intensity/improved efficiency of buildings, cities, industries and appliances as a result of Fund support (IRMF) Supplementary 1.1 Annual energy savings						
Provide the total energy savings (MWh) disaggregated by intervention type.						
Unit						Megawatt-hour
Disaggregation by: Intervention Type	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Efficient Appliances	50,000	67,000	75,000	50,000	0	50,000

Forestry and land use

No indicators/questions defined.

(PMF) M9.1 Hectares of land or forests under improved and effective management that contributes to CO2 emission reductions (IRMF) Core 4: Hectares of natural resource areas brought under improved low emission and/or climate resilient management practices					
Provide the total degraded or converted ecosystems under restoration (ha).					
Unit					Hectares
Baseline	Target		Previous Year Cumulative Value	Annual value	Cumulative Value <i>(automatically calculated)</i>
	Mid-term	Final target			
0	3,800	135,800	103	475	578

(PMF) M9.1 Hectares of land or forests under improved and effective management that contributes to CO2 emission reductions (IRMF) Core 4: Hectares of natural resource areas brought under improved low emission and/or climate resilient management practices						
Provide the total degraded or converted ecosystems under restoration (ha), disaggregated by country.						
Unit						Hectares
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Armenia	0	3,800	135,800	103	475	578

(PMF) M9.1 Hectares of land or forests under improved and effective management that contributes to CO2 emission reductions (IRMF) Core 4: Hectares of natural resource areas brought under improved low emission and/or climate resilient management practices						
Provide the total degraded or converted ecosystems under restoration (ha), disaggregated by land type.						
Unit						Hectares
Disaggregation by: Land Type	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Forest Land (afforestation)	0	3,800	5,700	103	475	578

(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached						
Provide the total number of direct beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by result area.						
Unit						No. of Beneficiaries
Disaggregation by: Result Areas (Adaptation)	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Ecosystem and ecosystem services	0	171,327	342,653	541	315	856

(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached						
Provide the total number of direct beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Gender.						
Unit						No. of Beneficiaries
Disaggregation by: Gender	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Male	0	82,237	164,473	358	174	532
Female	0	89,090	178,180	183	140	323

(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached						
Provide the total number of direct beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Country.						
Unit						No. of Beneficiaries
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Armenia	0	171,327	342,653	541	315	856

(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached						
Provide the total number of indirect beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by result area.						
Unit						No. of Beneficiaries
Disaggregation by: Result Areas (Adaptation)	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Ecosystem and ecosystem services	0	1,495,600	2,991,201	42,594	238,944	281,538

(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached						
Provide the total number of indirect beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Gender.						
Unit						No. of Beneficiaries
Disaggregation by: Gender	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Male	0	717,888	1,435,776	20,445	114,693	135,138
Female	0	777,712	1,555,425	22,149	124,251	146,400

(PMF) A1 and A2 Total number of direct and indirect beneficiaries (IRMF) Core 2 Direct and indirect beneficiaries reached						
Provide the total number of indirect beneficiaries (female/male) cumulatively receiving adaptation benefits from GCF-supported interventions, disaggregated by Country.						
Unit						No. of Beneficiaries
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Armenia	0	1,495,600	2,991,201	42,594	238,944	281,538

Livelihoods of people and communities

No indicators/questions defined.

(PMF) A8.1 Number of males and females made aware of climate threats and related appropriate responses						
Provide the total number of direct beneficiaries (female/male) made aware of climate threats and related appropriate responses, disaggregated by Gender.						
Unit						No. of Beneficiaries
Disaggregation by: Gender	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Male	0	74,000	144,000	11,429	78	11,507
Female	0	74,000	144,000	52	109	161

Ecosystems and ecosystem services

No indicators/questions defined.

(PMF) A4.1 Coverage/scale of ecosystems protected and strengthened in response to climate variability and change						
Provide the total hectares of natural ecosystems protected, restored, conserved, or managed to reduce climate risks to ecosystem services and dependent people and communities.						
Unit					Hectares	
Baseline	Target		Previous Year Cumulative Value	Annual value	Cumulative Value <i>(automatically calculated)</i>	
	Mid-term	Final target				
0	3,800	7,300	103	475	578	

(PMF) A4.1 Coverage/scale of ecosystems protected and strengthened in response to climate variability and change						
Provide the total hectares of natural ecosystems protected, restored, conserved, or managed to reduce climate risks to ecosystem services and dependent people and communities, disaggregated by country.						
Unit						Hectares
Disaggregation by: Project Countries	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Armenia	0	3,800	7,300	103	475	578

(PMF) A4.1 Coverage/scale of ecosystems protected and strengthened in response to climate variability and change						
Provide the total hectares of natural ecosystems protected, restored, conserved, or managed to reduce climate risks to ecosystem services and dependent people and communities, disaggregated by ecosystem type.						
Unit						Hectares
Disaggregation by: Ecosystem types	Baseline	Mid-term	Final target	Previous Year Cumulative Value	Annual value	Cumulative Value
Forest	0	3,800	7,300	103	475	578

Project Specific Indicators							
Indicator	Unit	Baseline	Target		Previous Year Cumulative Value	Annual value	Cumulative Value <i>(automatically calculated)</i>
			Mid-term	Final target			
# and % of women and men (from remote rural areas) who attend/are actively involved in sectoral planning and consultation meetings	No. of Persons	0	600	600	397	0	397
# of community concessional management contracts supported by the project	No. of Agreements/Contracts	0	0	4	0	0	0
# of Forest Management Plans (community level) adopting the sustainable and climate adaptive guidelines	Plans	0	2	10	0	0	0
Adoption rate of climate adaptive practices in forest	Percentage	0	20	60	0	0	0

restoration and management							
Area (ha) of forest lands restored	Hectares	0	3,800	7,300	103	475	578
# and % of enterprises established or expanded using low carbon and climate-resilient solutions by women and men, by type of enterprise	Percentage	0	15	15	0	0	0
(Female-headed) household expenses on energy (fuelwood) % change in expenditure on purchasing fuel for household energy needs by women	Percentage	0	30	30	0	0	0
Average Volume (m3) of yearly required fuelwood in target households is reduced by at least 30%	Cubic metres	0	5	5	8	0	8
M5.1 Institutional and regulatory systems that improve incentives for lowemission planning and development and their effective implementation	No. of Policy Instruments	1	1	1	4	0	4

Activities				
Activity Name	Implementation Progress (%)	Utilised GCF Budget	Allocated GCF Budget	% (Automatically calculated)
Activity 1.1.1.1 : Establishment of 3 additional forest climate adaptive nurseries and capacity development of Hayantar staff and stakeholders on related topics	67	472,766.16	649,655	72
Activity 1.1.1.2 : Production of at least 12,000,000 container seedlings	40	18,271.4	40,400	45
Activity 1.1.2.1 : Preparation work on selected State forest fund and municipality lands	55	57,385.8	242,252	23
Activity 1.1.2.2 : Planting and maintenance work on selected forest fund lands 6,300 ha) and Municipal Lands (1,000 ha)	25	410,487.24	3,293,317	12
Activity 1.1.3.1 : Development and formalization of the training curricula with the	45	1,940.6	36,000	5

Activities				
Activity Name	Implementation Progress (%)	Utilised GCF Budget	Allocated GCF Budget	% (Automatically calculated)
MoNP and the MoE (Institute for Vocational Education and Training) of required trainings.				
Activity 1.1.3.2 : Capacity Development of at least 1,700 people from Hyantar, Armenian Civil Society, Academia, Vocational Schools teachers and private sector.	30	69,199.62	304,800	22
Activity 2.1.1.1 : Design and approval process of quality standards for EE heating appliances	20	19,758.52	33,120	59
Activity 2.1.2.1 : Coaching of Manufacturers, Retailers and teachers from vocational schools	0	47,169.86	131,072	35
Activity 2.1.2.2 : Development and formalization of the training curricula with the MoNP and the MoE (Institute for Vocational Education and Training) of required trainings	0	9,220.47	29,120	31
Activity 2.1.3.1 : Technology Grant Support for the adoption of the RE appliances is developed and available for target households	0	42,396.66	3,166,620	1
Activity 3.1.1.1 : Development of sustainable and climate-adaptive forest governance guidelines applicable under forest concessions for community organizations	25	23,919.55	93,850	25
Activity 3.1.1.2 : Institutional Support in applying climate adaptive forest governance guidelines including rural EE and climate change mainstreaming	34	263,078.5	783,646	33
Activity 3.1.2.1 : Assessment of land categories and, designing of forest monitoring system and developing national capacities	30	78,462.27	192,600	40
Activity 3.1.2.2 : Field data collection including survey data management, quality assurance, evaluation and interpretation of survey results	9	60,287.64	150,000	40
Activity 3.1.2.3 : Assessment of intervention areas and impact by orthopho mapping and digital surface models	20	1,517.96	59,800	2
Activity 3.1.3.1 : Community empowerment, awareness and sensitization.	17	10,749.34	284,100	3

C.2.1. Subprojects

Where applicable, include information on sub-projects. For projects and programmes approved until B.31, the logical framework should focus on the mitigation and adaptation Performance Measurement Frameworks (PMF). For projects and programmes approved from B.32 onwards, the logical framework should reflect the Integrated Results Management Framework (IRMF).

Title	Currency	GCF Funds	Co-Financing	Country	GHG Emissions Reduced	Direct Beneficiaries	Indirect Beneficiaries
N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

C.3. Compliance with FAA covenants

Yes ☒ No ☐

C.4. Funded Activity Implementation Arrangements in the Following Year

Yes ☒ No ☐

Implementation arrangements remain consistent with the approved Funding Agreement, institutional roles and governance structures remain unchanged. However, due to a reduction in Government co-financing and the mobilization of alternative financing from SDC, updates to the relevant legal agreements are required. These changes relate solely to the source of financing, with no impact on the scope or implementation of activities. The adjustment has been communicated to the GCF Task Manager, and a formal change request, also integrating recommendations from the Mid-term Evaluation, is planned for submission in Q2 2026.

D. RISKS ASSESSMENT AND MANAGEMENT

D.1. Risk and mitigation measures

As stated in the Board-approved "Risk Appetite Statement," a cornerstone of the GCF's Risk Framework is proactive risk management. This includes risk identification, assessment, monitoring, reporting and appropriate mitigation to minimize and respond to risks, both directly and through partners implementing GCF's projects and programmes.

Risk Management Matrix

A risk is the probability of an event to adversely affect the achievement of the project Impact (its objectives, outcomes, and results). "Inherent risk" refers to the level of risk present before any of the mitigating measures are applied. "Residual risk" represents the level of risk after mitigating measures have been implemented.

Please update the project risk matrix by reviewing and revising information for all previously identified risks, and adding any new risks identified during implementation by selecting the adequate Risk Area in the drop-down menu. For each risk, ensure you provide a clear risk description, outline the potential negative consequences, specify the mitigating measures in place, and complete the severity scoring as required.

For the Integrity Risk Area, an annual reporting (and more frequent and prompt reporting if stated in the legal agreements with the GCF) is required for each of its 3 Risk Sub-areas, as GCF has zero tolerance for Prohibited Practices, for SEAH in Fund-related Activities, and for working with parties and engaging in activities subject to sanctions imposed by the United Nations Security Council. The AE reporting obligations under GCF's policies and in the legal agreement(s) with the GCF include but are not limited to requiring AEs to take action to identify, mitigate and promptly disclose to the GCF any real or perceived Conflict of Interest, any alleged or suspected Prohibited Practice, promptly notify the Fund of any material risks or other indications of money laundering and/or financing of terrorism in relation to the Project and promptly take remedial steps in consultation with the GCF.

The AE shall also provide updates on the risks and mitigating measures under the other Risk Areas when changes to already identified risks or new risks have been identified.

Risk scoring:

For likelihood, please rate on a scale from 1 to 5: 1. Unlikely, 2. Possible, 3. Likely, 4. Almost certain, 5. Certain

For impact, please rate on a scale from 1 to 5: 1. Close to none, 2. Low, 3. Medium, 4. High, 5. Catastrophic

The severity of each risk is automatically computed based on the likelihood and impact of the risk.

Risk 1	Test 1		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Money Laundering (ML) & Terrorist Financing (TF)		
Description	Test 1		
Consequences	Test 1		
Inherent Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Mitigation Measure(s)	Test 1		
Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Current Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Comments	N/A		
Risk 2	Test 2		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Sanctions		
Description	Test 2		
Consequences	Test 2		
Inherent Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low
Mitigation Measure(s)	Test 2		
Residual Risk	Likelihood	Impact	Severity
	1 - Unlikely	1 - None	1 - Low

Current Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Comments	N/A		
Risk 3	Test 3		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Fraud / Bribery & Corruption / Collusion and any other prohibited practice		
Description	Test 3		
Consequences	Test 3		
Inherent Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Mitigation Measure(s)	Test 3		
Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Current Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Comments	N/A		
Risk 4	Test 4		
Risk Origin	Project Related		
Risk Area	Integrity		
Risk Sub-area	Conflict of interest		
Description	Test 4		
Consequences	Test 4		
Inherent Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Mitigation Measure(s)	Test 4		
Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Current Residual Risk	Likelihood 1 - Unlikely	Impact 1 - None	Severity 1 - Low
Comments	N/A		
Risk 5	Greenhouse Structural and Operational Capacity Risk		
Risk Origin	Partner Related		
Risk Area	Partner capacity and suitability		
Risk Sub-area	N/A		
Description	Limited greenhouse capacity and operational gaps pose risks to seedling production and survival. Key challenges include insufficient greenhouse coverage, structural failures caused by wind and snow loads, and inadequate irrigation and cold chain systems. Additional risks arise from quality assurance gaps, mismatches between species and planting sites, and premature planting before fencing is in place. Greenhouse structures have sustained damage from extreme weather, exposing seedlings to temperature stress and physical harm. These failures have disrupted growing conditions, increased seedling losses, and interrupted nursery operations during critical growth periods. Inadequate and unreliable irrigation systems further compound these risks by causing inconsistent water supply, particularly during early and sensitive growth stages, ultimately affecting seedling quality and survival rates.		
Consequences	Limited greenhouse capacity and infrastructure failures constrain production, resulting in reduced seedling output, delayed planting cycles, and an inability to meet planned targets. These challenges lead to weakened planting material and higher mortality rates during and after planting, ultimately reducing the effectiveness of restoration efforts. In addition, damage to infrastructure and loss of seedlings generate financial		

	inefficiencies, including unplanned repair and reconstruction costs and the need for replacement planting stock, undermining overall cost-effectiveness.		
Inherent Risk	Likelihood	Impact	Severity
	5 - Certain	4 - High	20 - High
Mitigation Measure(s)	Regular consultation meetings have been held with EPIU and Hayantar to support ongoing improvements in nursery infrastructure, including maintenance of irrigation systems, upgrading of cold storage facilities, and the application of standardized seedling quality control procedures prior to field delivery. New greenhouse construction will follow climate-resilient design standards, including reinforced structures, appropriate snow-load specifications, and wind anchoring. Irrigation systems will be strengthened through upgrades and the inclusion of backup water sources and storage capacity to ensure reliability. EPIU and Hayantar will introduce a multi-stage quality assurance system covering nursery production, pre-dispatch verification, and planting supervision. In addition, FAO will deploy trained field supervisors to provide technical oversight of both seedling production and planting operations, ensuring adherence to agreed standards and best practices.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	3 - Medium	6 - Medium
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	3 - Medium	6 - Medium
Comments	N/A		
Risk 6	Seedling production and survival		
Risk Origin	Project Related		
Risk Area	Design and Implementation		
Risk Sub-area	N/A		
Description	The project planned the production of 12 million container seedlings; however, only approximately 800,000 have been produced to date, indicating a significant shortfall in output capacity. A combination of factors has contributed to low seedling survival rates, estimated at or below 50%. These include greenhouse damage from wind and snow, gaps in irrigation and cold chain systems, and inconsistent application of recommended planting techniques. In addition, inadequate transportation and handling practices—such as delays in delivery, mechanical damage, and delayed planting after dispatch—have further weakened seedlings. These logistical shortcomings have increased transplant shock and reduced establishment success. Limited field maintenance, including insufficient watering, mulching, protection, and monitoring, has further exacerbated the issue. Without consistent post-planting care, seedlings are less able to recover from initial stress, resulting in reduced survival rates and compromised restoration outcomes.		
Consequences	Existing afforested areas show low stocking density, resulting in reduced carbon sequestration and posing a risk to achieving the mitigation targets outlined in the funding proposal. High seedling mortality in the field necessitates replanting and additional maintenance, leading to increased costs and reduced overall efficiency of restoration efforts.		
Inherent Risk	Likelihood	Impact	Severity
	5 - Certain	4 - High	20 - High
Mitigation Measure(s)	The project has introduced an enhanced system of technical supervision in the field, including regular monitoring and reporting by trained field staff to improve oversight of planting activities. FAO and EPIU will develop and implement standard operating procedures (SOPs) for		

	seedling handling, loading, transport, and unloading to ensure consistency and reduce damage during logistics and planting operations.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	3 - Medium	6 - Medium
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	3 - Medium	6 - Medium
Comments	N/A		
Risk 7	Household Stove Design Appropriateness		
Risk Origin	Project Related		
Risk Area	Design and Implementation		
Risk Sub-area	N/A		
Description	The project faces risks related to the appropriateness of the stove design and potential variability in unit costs. The current design process has primarily been developed with a dedicated project partner and greater opportunity to engage with broader national and donor-supported initiatives, as well as existing technical and market experiences. This approach has implications for leveraging established designs, ensuring unit costs, manufacturing capacities, and distribution channels.		
Consequences	As a result, household stove production has not yet commenced, and beneficiary selection is pending. The project has developed a dedicated stove model, which is scheduled for laboratory testing; however, its suitability for local user needs, supply chains, and cost structures remains to be validated.		
	These factors create a risk of higher-than-anticipated unit costs and potential challenges in scaling production and adoption. Underlying causes include a gap between project ambition and operational and market realities, as well as limited integration with existing systems and stakeholder networks.		
Inherent Risk	Likelihood	Impact	Severity
	4 - Almost certain	4 - High	16 - High
Mitigation Measure(s)	In close collaboration with project partners, FAO will appoint a dedicated technical lead for energy efficiency and stove deployment with clear authority and accountability; establish a time-bound delivery roadmap; and align implementation with ongoing national and donor-supported stove programmes to benefit from proven supply chains, local manufacturers, and deployment experience.		
Residual Risk	Likelihood	Impact	Severity
	2 - Possible	3 - Medium	6 - Medium
Current Residual Risk	Likelihood	Impact	Severity
	2 - Possible	3 - Medium	6 - Medium
Comments	N/A		
Risk 8	Cost escalation		
Risk Origin	External Factors		
Risk Area	Macro-economics		
Risk Sub-area	N/A		
Description	Actual project unit costs have increased, compared to those estimated at the project design stage. Inflation, exchange rate fluctuation, repeated unsuccessful procurement, greenhouse reconstruction, and increased labour costs create a structural gap between planned and actual costs.		
Consequences	Cost escalation may lead to a need to adjust implementation scope and pacing, potentially resulting in fewer hectares restored and a reduced number of households reached than originally planned. This could, in turn, affect the project's ability to fully achieve the mitigation and adaptation targets outlined in the funding proposal.		
Inherent Risk	Likelihood	Impact	Severity
	3 - Likely	4 - High	12 - Medium High
Mitigation Measure(s)	Based on the recommendations of the mid-term evaluation, FAO will prepare a budget revision to account for the changing unit costs.		

	The project will also revisit the stove specifications to ensure affordability, simplicity, and durability, to minimize impacts on adaptation and mitigation targets		
Residual Risk	Likelihood	Impact	Severity
	3 - Likely	3 - Medium	9 - Medium High
Current Residual Risk	Likelihood	Impact	Severity
	3 - Likely	3 - Medium	9 - Medium High
Comments	N/A		

D.2. Report risk incidents

If any risk (previously identified or not) has materialized, please capture it here as a risk incident.

(this section is confidential)

E. FINANCIAL INFORMATION

E.1. GCF financing

In addition to the financial report in the annex, update the table with relevant GCF financial data for each country and instrument, including amounts and allocation percentages.

Country	Instrument	Currency (as per FAA)	Committed Amount	Disbursed Amount	Expenditure (reporting year)	Cumulative Expenditure	Mitigation	Adaptation
Armenia	Grants	USD	10,000,000	2,039,021	231,864	1,761,590	74%	26%
Total		USD	10,000,000	2,039,021	231,864	1,761,590	N/A	N/A

E.2. Co-financing

Please populate the table with relevant Co-financing data for each Co-financier and instrument, including amounts and allocation percentages.

Co-financier	Instrument	Currency (as per FAA)	Committed Amount	Disbursed Amount	Expenditure (reporting year)	Cumulative Expenditure	Mitigation	Adaptation
FAO	Grants	USD	764,758	0	42,246	412,433	74%	26%
ADA	Grants	USD	1,631,542	1,631,542	277,426	911,720	74%	26%
WWF	In-kind	USD	200,000	0	42,400	91,199	74%	26%
Bolzano	In-kind	USD	203,750	0	0	108,606	74%	26%
Government of Armenia	Grants	USD	5,904,680	0	597,899	1,225,573	74%	26%
Total		USD	8,704,730	1,631,542	959,971	2,749,531	N/A	N/A

E.3. Additional Finance Mobilised Beyond Approved Co-financing

Report the realised (cumulative value) and/or expected volume (Final Target) of private/public finance leveraged as a result of GCF involvement in the investment, in addition to and beyond any co-financing originally committed at approval. This datapoint shall be reported separately from official co-financing figures and is intended to capture the catalytic effect of GCF investments and support institutional learning.

GCF Policy: <https://www.greenclimate.fund/sites/default/files/document/policy-cofinancing.pdf>

No additional finance mobilized information provided.

File Name: APR2025 - SAP014 - grant-financial-progress-detail_APR 13 NO ETL.xlsx

F. ENVIRONMENTAL & SOCIAL SAFEGUARDS, GENDER, and INDIGENOUS PEOPLES

This section provides an update against the ESS standards agreed as part of the Environmental and Social Action Plan (ESAP) and Environmental and Social Management Framework (ESMF), as well as Environmental and Social Management System (ESMS), Environmental and Social Impact Assessment (ESIA), Environmental and Social Management Plan (ESMP), Indigenous Peoples Plan (IPP), Indigenous Peoples Plan Framework (IPPF), Resettlement Action Plan (RAP), Resettlement Policy Framework (RPF) when applicable.

F.1. progress on key challenges and updates regarding Environmental and Social Safeguards

Key Environmental and Social Changes

Have there been any changes in the key environmental and social risks and impacts? If you tick 'Yes,' please provide further information.

Yes ☐ No ☒

Environmental and Social Safeguarding Updates

Have there been any change/update on environmental and social safeguarding? you tick 'Yes,' please provide further information.

Yes ☐ No ☒

F.2. Compliance with laws and regulations applicable to ESS. Gender and Indigenous Peoples.

Have there been any changes or updates regarding compliance with applicable laws and regulations of the country, as well as the relevant conditions or covenants under the FAA?

Yes ☐ No ☒

F.3. ESS standards implementation progress

Does this reporting period include any ESS standards-related activities or updates?

Yes ☒ No ☐

If you tick 'Yes', please provide further information to report on the progress made in complying with the requirements of the relevant ESS standards that were triggered during the approval of the funding proposal and during the reporting period, if any; and the GCF Indigenous Peoples Policy, if relevant, describing achievement and specifying details outlined in the tables below.

Activities implemented during the reporting period, including monitoring

uring the reporting period, the project continued implementing ESS in line with FAO and GCF requirements. Project information, including safeguards provisions, was shared with stakeholders via meetings, materials, and communication channels, highlighting project objectives and complaint mechanisms. Particular attention was given to the ESS triggered under the project, including ESS3 (Resource Efficiency and Pollution Prevention / plant genetic resources for food and agriculture) and ESS7 (Decent Work), as identified in Annex 10 of the funding proposal. Under ESS3, project activities involving seed production, nursery development, and climate-adaptive silviculture continued to promote the sustainable use of plant genetic resources, applying good agricultural and forestry practices to avoid negative environmental impacts and maintain biodiversity considerations. Under ESS7, project implementation continued to promote decent working conditions through safe participation in field activities, inclusive engagement of local beneficiaries, and adherence to fair and non-discriminatory participation principles during trainings and community-based interventions. During trainings on energy efficiency, renewable energy, gender-responsive forest management, seed production, climate change, and climate-adaptive silviculture, the FAO GRM Focal Point presented the project's GRM. Flyers detailing GRM procedures were distributed, and a rollup banner and complementary posters were placed in regional and municipal offices to increase visibility and accessibility. The GRM remains operational, with stakeholders guided on submitting complaints or feedback through project and FAO channels. In addition, during the awareness raising sessions the stakeholders were informed about the GCF Independent Redress Mechanism (IRM) as an additional channel available for submitting complaints related to project activities, ensuring access to both project-level and GCF-level grievance mechanisms. Stakeholder consultations with communities, municipal authorities, and partners ensured inclusive participation in project activities. In line with the ESS Annex, the project continued applying key environmental and social management instruments, including the GRM, stakeholder consultation procedures, and safeguard communication measures during trainings and field activities.

Outputs during the reporting period

Activities: Community consultations were conducted with local communities and forest users, including women involved in collection of non-wood forest products prior to the implementation of reforestation activities. Training sessions were organized for women and "Hayantar" staff members on sustainable forest management, agroforestry, and climate-resilient livelihoods. Biodiversity-friendly restoration approaches using native species were implemented. Awareness sessions were organized to ensure that communities are informed about the grievance redress mechanism and know how to submit complaints or feedback. All the activities mentioned above were monitored during the reporting period. **Outputs:** Local communities, including women involved in collection of non-wood forest products were consulted, and a short needs assessment was conducted to better understand their capacity-building needs. Women and "Hayantar" staff members strengthened their knowledge and skills in sustainable forest management, agroforestry, and climate-resilient livelihood practices. Women received support to develop and strengthen income-generating activities related to non-wood forest products and nurseries. Reforestation activities were implemented using native species. Community members were informed about the grievance redress mechanism and the procedures for submitting feedback or complaints.

Key environmental, social and gender issues, risks and impacts addressed during implementation

One of the key gender-related risks identified during project implementation is the low level of interest and participation of women in forestry-related activities, as forestry is often perceived as a male-dominated sector. This perception may limit women's engagement in project activities and reduce the inclusiveness of project benefits. The project team continues to monitor potential environmental and social risks, including gender-related barriers to participation in forestry activities, and is taking measures to promote inclusive participation and equitable access to project benefits.

Any pending key environmental, social and gender issues needing accredited entity's actions and GCF attention

N/A

Remarks/Notes

All project activities are being implemented in line with FAO Environmental and Social Safeguards standards. Regular monitoring ensures that environmental, social, and gender risks are identified and mitigated promptly. Stakeholder engagement, including consultations with women and vulnerable groups, continues to be prioritized. Capacity-building, grievance redress mechanisms, and biodiversity-friendly approaches are fully integrated to maintain compliance with ESS standards and promote inclusive and sustainable project outcomes. Project activities are designed and implemented in ways that avoid harming ecosystems, species, habitats, or genetic diversity by avoiding introduction of inappropriate plant species and growing locally suitable planting materials.

F.4. Sub-projects information

Have any subprojects been implemented?	Yes ☐ No ☒
N/A	N/A

F.5. Implementation of the stakeholder engagement plan	
Were any actions undertaken to increase engagement of relevant stakeholders in the project, particularly regarding environmental, social, and gender elements?	Yes ☒ No ☐
Activities implemented during the reporting period	
Between 28/03/2025-17/12/2025, stakeholder engagements, consultation, and capacity-building activities took place, targeting community members, forestry professionals, school/university students, and women involved in the collection of non-wood forest products. On 28/03/2025 a community-level awareness event on forest resilience and gender-responsive approaches was held. A similar consultation held 09/04/2025 providing opportunities to discuss community needs related to forest resources, sustainable use practices, and livelihood opportunities. Capacity-building activities for forestry professionals were organized with WWF on 23/04/2025 adaptive forest management under climate change engaged Hayantar staff. A second took place 30/04/2025 focusing on climate-adaptive forestry practices, energy efficiency, and gender-responsive forest management approaches. On 20/06/2025 a training and field activity on “Conservation of Wild Plants and Principles of Sustainable Collection of Non-Wood Forest Products” was conducted, strengthening knowledge on sustainable harvesting techniques and biodiversity conservation. Awareness-raising activities focusing on sustainable collection of non-wood forest products and energy-efficient solutions were organized for women from forest-dependent communities on 12/11/2025 and 16/12/2025. These activities aimed to support women’s livelihoods while promoting sustainable forest resource use. Youth engagement was also an important component of stakeholder outreach. On 19/11/2025, a nursery-based training and awareness event for 45 school students covered nursery operations, sustainable forestry practices, energy efficiency, and gender roles in forestry. On 17/12/2025, a training and tree-planting activity was conducted for 24 university students from the Agrarian University branch, focusing on afforestation practices, nursery management, and gender-responsive forest management. In addition, consultative meetings were held with community representatives as well as with local NGOs and women’s groups involved in sustainable collection of non-wood forest products. These consultations played an important role in ensuring that project activities respond to the needs and priorities of local communities, including discussions on forest resource use, livelihood opportunities, and local environmental challenges.	
Dates and venues of engagement activities	
28 March 2025 – Shaghat: 24 participants (24 females, 0 males) 9 April 2025 – Tashir: (11 females, 0 males) 23 April 2025 – Sisian: 14 (2 females, 12 males) 30 April 2025 – Vanadzor: 19 (0 females, 19 males) 20 June 2025 – Dsegh: 6 (6 females, 0 males) 12 November 2025 – Goris: 29 (29 females, 0 males) 19 November 2025 – Sisian: 45 (33 females, 12 males)	

16 December 2025 – Vanadzor: 19 (19 females, 0 males) 17 December 2025 – Sisian: 24 (9 females, 15 males) 23 December 2025 – Yerevan: 20 (0 females, 20 males)
Sex-disaggregated data on stakeholder engagement participants (male + female = total)
Total participants: 211 → 133 females (63%) / 78 males (37%) Gender inclusion gaps: Low participation of women in technical forestry activities and unsustainable collection of non-wood forest products were addressed through targeted trainings, awareness sessions, and integration of gender-responsive approaches across all activities. Limited technical knowledge: Capacity-building for forestry staff, community members, and youth strengthened skills in climate-adaptive forest management, forest resilience, sustainable collection of non-wood forest products, and energy-efficient solutions. Pressure on forest resources and livelihoods: Reliance on non-wood forest products (NWFPs) and energy resources was mitigated through awareness, sustainable harvesting practices, non-wood forest products conservation, energy-efficient woodstove production, and livelihood diversification. Youth engagement: School and university trainings promoted environmental stewardship, gender-responsive forestry, and early involvement in sustainable practices. Community-specific needs: Consultations with NGOs, women's groups, and community representatives identified local risks, including overharvesting, forest degradation, and technical gaps. Feedback informed adaptation of project activities to ensure relevance, effectiveness, and sustainability. The consultations were conducted with local NGOs and community-based organizations: LORI REGION The NGO Center WINNET Vanadzor Women and Youth Development NGO Armenian Young Women's Association (AYWA) SYUNIK REGION WINNET Goris Development Foundation Goris Women's Development Resource Center Sose Women's Issues NGO Strategic Development Agency NGO
Information shared with stakeholders
During consultations with local NGOs, community-based organizations, community members, youth, and forestry staff, the following information was shared: Project objectives and components Gender Equality and Inclusive Participation in Forestry and Gender-responsive forest management approaches Sustainable forest and biodiversity practices Technical and practical approaches

Community engagement opportunities. Grievance Redress Mechanism (GRM): Stakeholders were informed about the process for submitting grievances or feedback, including access points, documentation, resolution steps, and communication of outcomes to ensure transparency, accountability, and responsiveness to community concerns.
Outputs including issues raised and addressed during the reporting period
Stakeholders highlighted concerns regarding low participation of women and youth, limited technical knowledge on sustainable and climate-adaptive forestry, and pressure on forest resources impacting livelihoods. These were addressed through gender-responsive trainings, awareness-raising activities, and technical capacity-building, complemented by income-generating opportunities introduction: such as guided forest tours, sustainable collection of non-wood forest products and the cultivation of selected wild herbs. It was noted that women's and youth participation in forest management and decision-making will remain low unless forestry activities provide additional income-generating opportunities. To facilitate their engagement, the project will support women's and youth participation through targeted activities that provide practical engagement and income opportunities. This includes establishing communal forests to strengthen local ownership, promoting and marketing wild non-wood forest products, and developing agrotourism through guided forest tours led by local women and youth. These measures aim to create tangible incentives for active involvement in forest management while fostering inclusive and sustainable community benefits.
Remarks/Notes
N/A

F.6. ESS forward planning and lessons learned	
Are there any planned ESS activities for the next reporting period or lessons learned to share from this period?	Yes ☒ No ☐
Provide planned activities on environmental and social safeguards for the next reporting period	
During the next reporting period in 2026, the project will continue implementing environmental and social safeguards in line with FAO and GCF requirements. Environmental and social considerations will be systematically integrated into field activities, including afforestation and forest restoration, with particular attention to preventing risks such as soil disturbance, improper waste management, and potential impacts on biodiversity. The project will continue monitoring social aspects of implementation, including the participation and inclusion of women, local communities, youth, and other potentially vulnerable groups. Stakeholder engagement will be maintained through consultations with communities, municipal authorities, and partners, ensuring inclusive participation in planning and decision-making. These efforts will be complemented by structured feedback sessions and the dissemination of information materials to strengthen awareness of safeguards. Ensuring inclusive and accessible implementation will remain a priority, with community views reflected in planning and delivery where relevant. Stakeholder engagement activities will continue throughout 2026, with regular communication on project progress, safeguard requirements, and available grievance mechanisms through meetings and outreach materials. The project's GRM will remain fully operational. Information on the GRM will be widely shared with stakeholders, including local communities and civil society organizations, to ensure awareness of channels for raising concerns. All grievances will be documented, addressed, and monitored in line with established procedures, with timely feedback provided to affected parties. Capacity-building activities on environmental and social safeguards will be implemented to strengthen local implementation and monitoring capacity. Continuous ESS monitoring will be carried out throughout 2026 through periodic field visits during and after forest restoration and nursery activities, integrated into supervision missions and technical field inspections to ensure compliance with safeguard requirements.	
Provide any success stories, good practices, or challenges, including those related to the engagement of Indigenous peoples and local communities, promoting Indigenous knowledge and benefits to Indigenous peoples and local communities	
Families in northern Armenia source wild herbs and forest products for food and income. Collection practices were traditionally based on immediate needs, with limited awareness of sustainable harvesting and its importance for forest biodiversity. Elina, a local resident, was among the women who regularly collected wild herbs, relying on knowledge passed down with little consideration of the impact of harvesting practices on ecosystem health and regeneration. Participating in the project's training sessions focused on sustainable collection of non-wood forest products, biodiversity conservation, and responsible forest use encouraged a different way of thinking by providing practical techniques, including harvesting without damaging root systems, leaving parts of plant populations for regeneration, and supporting long-term ecosystem health. Elina gained technical knowledge and connected with experienced women collectors who shared expertise in forest plants and traditional harvesting methods. Elina works closely with these collectors,	

strengthening skills while contributing her expertise in marketing, supporting in improving product presentation and sales, complementing their knowledge of forest resources with ideas for accessing new markets. This collaboration has strengthened sustainable harvesting and improved livelihood opportunities, demonstrating how targeted capacity-building can empower women, combine traditional and new knowledge, and support biodiversity conservation and rural incomes.

F.7. Grievance Redress Mechanism - confirmation & grievances

Please indicate whether the project can confirm the following statement:

Fully functional and operational Grievance Redress Mechanisms are in place, have been communicated to and are accessible by all stakeholders applicable to this project

☒ The accredited entity confirms the statement above at project-level, AE-level, and GCF-level grievance mechanisms.

☐ The accredited entity does not confirm the statement above

Have there been any grievances received during the reporting period?

Yes ☐ No ☒

N/A

F.8. Implementation of activities and actions agreed in the Gender Action Plan

The project continued implementing the GAP developed during the preparation phase, focusing on promoting equal participation of women and men in forestry-related activities and strengthening gender-responsive approaches in forest restoration and capacity development.

The project remains on track to achieve intended gender outcomes, particularly regarding women's participation in training activities, engagement of women's groups, and the systematic use of sex-disaggregated data for monitoring and reporting progress.

Key lessons learned include that early engagement with local women's groups and community leaders significantly enhances women's participation in project activities and decision-making processes. Integrating gender considerations into the design and planning of training and capacity-building activities also contributes to more balanced participation. Additionally, ongoing collection and analysis of sex-disaggregated data is essential for tracking progress, identifying gaps, and informing timely adjustments to implementation.

Attention will be given to strengthening stakeholder engagement and ensuring the active participation of women in all relevant activities. Community forest establishment and distribution of energy-efficient stoves will provide important entry points for collaboration with local authorities, CSOs, NGOs, and women in target communities. These activities will serve as platforms to promote dialogue, raise awareness on sustainable forest management and climate-resilient practices, and support women's engagement in local decision-making processes.

Are there GAP implementation activities or progress to report for this period?

Yes ☒ No ☐

Summary on Activities and Actions agreed in the Gender Action Plan (max. 200 words)

Provide a progress report on the gender action plan developed during project preparation stage for the reporting period. This will primarily be a report on activities undertaken and results achieved because of completion of an activity. Further, it should also indicate if the project is on track to achieving the intended outcome(s). The reporting should be done for activities, targets and indicators already set in the action plan including on vulnerable groups (youth, poor, female heads of households, etc.) as would have been identified in the gender analysis and action plan. If activities or targets are not achieved as per plan, reasons should be provided, and recourse action should be proposed. Please include reporting on any changes or deviations. Include a Report on implementation challenges and lessons learnt and how these will inform on-going actions and what action will be taken by when to address the challenges faced. Incorporate both quantitative data and qualitative reports on the performance of such actions, and on progress on actions identified.

GAP Activity	
A. Ensure sex disaggregated statistical data on the targeted communities in order to equally involve male and female population in project activities and enjoyment of the results	
Indicator	
Availability of sex-disaggregated statistical data and indicators and their use in monitoring and reporting	
Rating of Indicator	GREEN (on track to be met)
Baseline	0
Target, including sex-disaggregation where applicable	100
Annual progress update (Reporting Period)	
The collection of sex-disaggregated data has been integrated across all project activities. In addition, a dedicated database has been developed to systematically track and record participation and results separately for women and men. As of this reporting period, 100 % of FAO project documentation reflects sex-disaggregated statistics.	
Cumulative progress update (Entire period)	
100 % of sex-disaggregated data for FAO and EPIU organized, and lead actions are collected and monitored.	
Budget	0
Currency	USD
Timeline (Planned completion of activity)	1 January 2025
Responsibility	
The stakeholders responsible for the implementation and delivery of this activity include the FAO National Gender Specialist, the FAO National Monitoring and Evaluation Specialist collaborate to ensure effective coordination, data collection, monitoring, and reporting of gender-related activities and indicators	
Remarks/Notes	
In 2025, a training on Monitoring and Evaluation (M&E) was conducted for staff of EPIU and Hayantar SNCO to strengthen their capacities in data collection, analysis and reporting, including the proper recording of sex-disaggregated data. This capacity-building effort will continue in the coming years, with additional training planned to further enhance the skills of dedicated staff members involved in data collection and reporting. Future sessions will continue to emphasize the integration of gender considerations in monitoring processes and aim to improve the systematic collection, analysis and reporting of sex-disaggregated data across project activities.	

F.9. Gender Action Plan implementation review

Is the gender expert for the project/programme engaged to support the implementation of the gender action plan? If engaged previously, please advise if the gender expert has been retained by the project/programme, including plans to engage another expert if a previously engaged expert has left the project/programme.	Yes ☒ No ☐
<i>The Gender Expert continues to support gender mainstreaming, monitoring of gender-related indicators, and the implementation of gender-responsive activities in line with the project requirements.</i>	
Has the implementation of gender action plan/s being implemented according to Funding Activity Agreements and GCF's Updated Gender Policy? Please ensure that the budget is included in the reporting above if it was indicated in the approved or updated gender action plan.	Yes ☒ No ☐
<i>The budget allocated for the implementation of the GAP is being implemented in line with the Funding Activity Agreements and GCF Policy. All gender-related activities have been carried out within the approved budget, which is included in the reporting above. Regular monitoring ensures compliance with GCF gender requirements and efficient use of resources</i>	
Are the planned activities, targets, indicators, timelines, etc. on track during the reporting period?	Yes ☒ No ☐
<i>Overall, the planned activities, targets, indicators, and timelines remain broadly on track during the reporting period. Most activities have been implemented according to the approved workplan, with continued progress in stakeholder engagement, safeguards implementation, and coordination with project partners and local communities.</i>	
Were there any revisions of the approved GAP during the reporting period? Please submit the updated GAP in Annex section of this APR and ensure that the updated GAP has details on each change.	Yes ☐ No ☒
N/A	
Are the reported results on track to contribute to meeting the sex-disaggregated targets for the direct beneficiaries in the funding proposal, if applicable?	Yes ☒ No ☐
<i>The reported results are on track to contribute to meeting the sex-disaggregated targets. During the reporting period, project activities, including stakeholder consultations, awareness-raising sessions, community meetings and capacity-building activities, ensured the active participation of both women and men. These efforts have contributed to balanced participation and increased awareness of gender-responsive approaches in sustainable forest management. Sex-disaggregated data has been systematically collected and monitored to ensure that progress toward the project's gender targets is tracked and reflected in reporting.</i>	
Has the project/programme experienced any implementation challenges that affect gender-related activities? If yes, please include lessons learnt and how they are informing ongoing actions.	Yes ☒ No ☐

A key challenge in implementing gender-related activities is that women in forest adjacent communities often have multiple household and community responsibilities, which limit their participation in decision-making processes related to forest management. In addition, traditional roles sometimes reduce women's representation in discussions on forests as natural resources. However, stakeholder consultations and awareness-raising sessions on gender-responsive forest management have helped address this gap by encouraging women's participation and motivating them to take a more active role in forest-related initiatives, recognizing the long-term livelihood and environmental benefits for their communities.

Were there any best practices identified, or case studies prepared on benefits/activities undertaken as agents of action by women and the female heads of households during the reporting period? Please share any case studies in the text boxes or in the Annex section of the APR.

Yes ☒ No ☐

A case study highlighting women's role as change-agents in sustainable forest-based value chains is being finalized. Titled "From Nature to Teacups: Linking Biodiversity, Agrifood Systems, and Gender Equality in Armenia," it explores how Armenia's herbal tea sector is closely connected to forest ecosystems and sustainable use of non-wood forest products. It demonstrates how women and female heads of households play a key role in the collection, cultivation, processing, and marketing of wild and forest-related herbal resources, contributing to local livelihoods and biodiversity conservation. It places emphasis on the role of forests and forest landscapes in supporting sustainable livelihoods through responsible harvesting of medicinal and aromatic plants, highlighting how women-led initiatives and small producers contribute to sustainable management of forest resources while strengthening local value chains linked to herbal tea production. The case study illustrates how forest-based economic activities can create income opportunities while encouraging the conservation of biodiversity and traditional ecological knowledge. The analysis reflects how better alignment of policies across forestry, agriculture, trade, and gender equality could support the development of sustainable forest-based value chains. Perspectives were gathered from producers, government institutions, civil society organizations, research institutions, as well as herbal tea producers and exporters working with forest-derived plants.

Provide planned activities on gender elements for the next reporting period

The project will continue implementing GAP activities to strengthen women's participation in sustainable forest management, improve livelihood opportunities for women engaged in forest-based value chains, and encourage the involvement of young women and girls in forestry-related careers. Monitoring will be conducted regularly through field follow-up and internal project monitoring processes. Capacity-building activities will be implemented for female Hayantar staff, including training on nursery management and climate-smart seedling production techniques relevant to afforestation and restoration activities. Trainings for project partners on M&E, specifically collection and analysis of sex-disaggregated data to strengthen evidence-based reporting. The project will continue supporting women engaged in collection and processing NWFPs, promoting sustainable harvesting practices and income-generation opportunities. Training on species identification, seasonal collection, regeneration techniques, rotational harvesting, and transitioning from wild collection to cultivation to reduce pressure on natural forest resources. The project will engage schools to promote forestry and environmental careers among students, particularly girls. Educational field visits to nurseries, restoration sites, and women-led NWFP enterprises will help strengthen awareness and interest in the sector. Visibility/outreach activities will include a "Women Planting Forests" speaker series, short videos documenting women's work in NWFP value chains, and photo stories from nurseries highlighting women's participation in restoration activities.

G. ANNEXES (UPLOADED)
Annex 1: GHG emission reduction calculation methodology (for projects reporting GHG emission reductions) and details on the calculations of the annual and cumulative value.
File Name: ANNUAL PERFORMANCE REPORT 2025 - SAP014_Annex 1.docx
Annex 2: Communication and visibility material
File Name: Annex 2 Communication and visibility material.docx
Annex 3: List of grievances received
No annexes provided.
Annex 4: Procurement information
No annexes provided.
Annex 5: Updated implementation timetable for the Funded Activity for the following year
File Name: SAP014_Annex 5 - Timetable.docx
Annex 6: Updated Gender Assessment and/or Action Plan
File Name: SAP014 APR 2025_GAP Reporting.docx
Additional Annexes (if applicable)
No annexes provided.

