

# Public Finance Policy Reform Programme in Armenia

## General Information

<u>Sector:</u>	Public finance
<u>Duration:</u>	3 years
<u>Implementation period:</u>	2017-2019
<u>Overall Budget:</u>	EUR 10.0 mln
<u>Budget support:</u>	EUR 8 mln
<u>Complementary support:</u>	EUR 2 mln

## Project Description

**Objective:** To support transparency and accountability of fiscal governance in Armenia.

**Specific objective:** To improve the efficiency, effectiveness and transparency of Armenia's Public Finance Management system in line with international practice and standards.

### **Scope of the reforms:**

- Approximation of fiscal governance standards to international/EU standards and establishment of a more business friendly tax environment with a wider tax base;
- Improvement of budget preparation, management and accountability systems in line with international practice resulting in enhanced accountability, transparency and efficiency of the budget;
- Modernisation of financial accounting, recording and reporting of public funds in line with international best practice and Armenia's own public accounting standards through implementation of the Government Financial Management Information System;
- Improvement of public procurement systems by reducing the use of single source method and strengthening its governance;
- Reinforcement of internal controls systems supporting management and accountability in line with international practice and standards;
- Enhancement of quality and public access to key fiscal information facilitating civil society's budget oversight and policy dialogue through preparation of citizens' budgets on a yearly basis in a language understandable to the average citizen;
- Improvement of budget oversight role of the National Assembly and its Finance Committee through reinforcement of accountability and technical capacity of the Budget Office of the National Assembly to fulfil its functions in accordance with international best practices;
- Strengthening external audit through improvement of the capacity of the Chamber of Control to fulfil its external audit tasks, particularly in the fields of performance audit and independence.