Support to the Government of Armenia for the implementation of the European Neighbourhood Policy Action Plan and preparations for the future Association Agreement – Phase II

General Information

<u>Sector:</u>	Multi-sector
Duration:	5 years
Implementation period:	2012-2017
<u>Overall Budget:</u>	EUR 45 mln
<u>Budget support:</u>	EUR 36.8 mln
Complementary support:	EUR 8.2 mln

Project Description

Objective: To assist the Government of Armenia in the implementation of its national and sector strategies related to selected key areas of the ENP Action Plan, while supporting trade related reforms as adapted following Armenia's decision not to pursue DCFTA negotiations and improving overall economic performance within a framework of continuous improvement in governance and accountability.

Specific objectives:
Objective I: To further improve Public Finance Management systems.
Objective II: To contribute to the improvement of public sector transparency and performance, including e-governance.
Objective III: To assist regulatory convergence in the areas of trade with the EU and international requirements, in particular in Customs, Technical Barriers to Trade, and Sanitary and Phyto-Sanitary matters.
Objective IV: To support the institutions of the Republic of Armenia in the fight against corruption.
Objective V: To support the institutions of the Republic of Armenia in the Civil Service Reforms.

<u>Scope of reforms</u>

- Improvement of the Public Internal Financial Control framework through strengthening organisational and functional arrangements for the Coordination Harmonisation Unit, designing training and certification programme for internal auditors, identifying gaps in Financial Management and Control and strengthening its capacity to assess risks;
- Enhancement of Public Procurement through ensuring the implementation of the Public Procurement Law by adopting necessary sub-legislative acts, development of user guidelines on those acts and designing and implementation of a certified training for public procurement specialists;
- Improvement of data protection and privacy in line with European standards through ratification of the CoE Convention 108 and elaboration of a draft new law on the protection of individuals in regard to automatic processing of personal data;

- Enhancement and broadening of e-governance systems through installation of the Electronic Archives Information System, assurance of its security, functionality and compatibility as well as through improvement of technical and professional capacities of central and territorial units of the Civil Status Register;
- Improvement of security of travel documents through introduction of biometric passports;
- Improvement of Customs legislation, policy and administration in line with the EU Acquis through making necessary updates in the Customs Administration Strategy, increasing knowledge of Customs officials regarding the primary importance of the Transaction Value Method of Customs Valuation and application of all the Methods of Customs Valuation, issuing Armenia an access to the International Convention on the Simplification and Harmonization of Customs Procedures, developing and applying the Customs Risk Management System and related administrative structures;
- Reduction of Technical Barriers to Trade through adopting and implementing respective legislation aimed to establish a solid domestic quality infrastructure system, governmental programmes for approximation with the EU acquis in the area of technical regulations and standards for industrial products and strengthening the institutions acting in the field of Technical Barriers to Trade;
- Improvement of policy and institutional framework for Sanitary and Phyto-Sanitary through adoption of the Food Safety System Development Strategy in line with relevant EU directives and standards and revision of the Charter of the State Food Safety Service and approximation with relevant EU practice.
- Enhancement of the System Integrity in the public sector, through adoption of Anti-Corruption Strategy, establishment of permanent and independent Anticorruption Council as well as Public Council as a formal consultative system between the Government of Armenia and Non State, improvement of financial and organizational capacities of the Ethics Commission for High Ranking Officials, as well as revision of the legislation, the framework, the standards of transparency, a modern training plan and monitoring mechanism for border agencies in line with EU and international best practices;
- Modernisation of the Civil Service system in line with the EU Principles of Public Administration through making necessary improvements in legislation as well as adoption and implementation of a reform strategy in line with EU principles of Public Administration.