

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

## General Information

<u>Sector:</u>	Multi-sector
<u>Duration:</u>	4 years
<u>Implementation period:</u>	2012-2015
<u>Overall Budget:</u>	EUR 21 mln
<u>Budget support:</u>	EUR 20 mln
<u>Complementary support:</u>	EUR 1 mln

## Project Description

**Objectives:** To assist the Government of Armenia in the implementation of a number of selected key areas of the European Neighbourhood Policy Action Plan, to prepare for the negotiations of the future Association Agreement in the area of Deep and Comprehensive Free Trade Area and to improve overall economic performance within the 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.

**Objective III:** To assist in the regulatory approximation to the EU and international requirements in trade-related areas.

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

- Enhancement of the institutional role of Supreme Audit Institution (Chamber of Control of Armenia) through establishment of the register by the Government of Armenia, raising awareness on the importance of the register and identification of the most effective way for the publication of the register by all written and electronic means;
- Improvement of Public Sector Accounting through documentation and analysis of the Armenian Public Sector Accounting Principles, development of a new accounting framework for the public sector and proposing amendments to the legislative/regulative framework for its accommodation;
- Establishment of Public Internal Financial Control framework through determination of specific organisational and functional arrangements for the Central Harmonization Unit, dissemination of the draft Public Internal Financial Control Strategy to relevant international organisations and partners as well as development of a time-bound Action Plan for the implementation of the Strategy;
- Improvement of Debt Management through deciding on the issuance volumes and benchmarks of short and long term Government securities, reviewing the internal organisation of the Public Debt Management Departments and making necessary amendments in the legislation, regulations and Charter of the Ministry of Finance to accommodate the restructured Departments;

- Approximation of Public Procurement Policy and legislative framework to the EU Acquis through adoption of regulations to ensure the implementation of the new Public Procurement Law, including the establishment of an Appeals body and its functions, organisational structure, staff requirements and budget;
- Approximation of Sanitary and Phyto-sanitary policy and legislative framework to the EU Acquis through formation of a working group of experts from different fields, development of national Probabilistic Risk Assessment standards and regulations for controlling producers, importers and exporters of plant and animal products, conduction of risk analysis focusing on various diseases including those from the World Organisation for Animal Health list;
- Approximation of the Technical Barriers to Trade framework to the EU Acquis through finalisation of the Quality Infrastructure Reform Strategy and estimating the detailed cost of reforms in the Strategy;
- Approximation of the Intellectual Property Rights framework to the EU Acquis through adoption of procedures for collecting information on IPR issues from relevant institutions and creating a database for IPR related documents.