



1. CAS/CPS Data		
Country: Armenia		
CAS/CPS Year: FY14	CAS/CPS Period: FY14 – FY17	
CLR Period: FY14 – FY18	Date of this review: March 18, 2019	
2. Ratings		
	CLR Rating	IEG Rating
Development Outcome:	<i>Moderately Satisfactory</i>	<i>Moderately Satisfactory</i>
World Bank Group Performance:	<i>Good</i>	<i>Good</i>
3. Executive Summary		
<p>i. Armenia is a lower middle-income country with a GNI per capita of \$3,990 in 2017. It is a small and landlocked economy with borders closed with Azerbaijan and Turkey as a result of the unsettled Nagorno-Karabakh conflict¹. It faces significant trading costs while trade accounts for 75.7 percent of GDP (2016). As a result of the 2014/15 Russian crisis and the slump in metal export prices through 2016, Armenia’s annual GDP growth declined from 4.3 percent during 2009-13 to 3.6 percent during 2014-17, even though this growth reflects a sharp rebound to 7.5 percent in 2017. Slower growth and increased unemployment slowed progress in poverty reduction. Unemployment increased from 16.2 percent in 2013 to 18.3 percent in 2015, where it remained through 2017. After declining from 35.8 percent in 2010 to 30.0 percent in 2014, the headcount poverty ratio changed little through 2016. Income inequality (the Gini coefficient) also changed little, from 31.5 in 2013 to 32.5 in 2016. During the CPS period, broader measures in social conditions improved slightly. Armenia’s Human Development Index improved from 0.729 in 2010 (76th among 169 countries) to 0.755 in 2017 (83th among 189 countries).</p> <p>ii. The World Bank Group’s Country Program Strategy (CPS) had three pillars, or focus areas, including the cross-cutting area on governance. These covered broadly the same areas as the previous CPS (FY09-13): (i) supporting competitiveness and job creation; (ii) improving efficiency and targeting of social services; and (iii) improving governance and decreasing corruption. The CPS was broadly aligned with the Government of Armenia (GoA) Development Strategy 2025 (ADS) adopted in 2014. The ADS sought to boost shared prosperity and reduce poverty through accelerated economic growth and job creation. World Bank Group’s support was also aligned with a number of GoA’s strategies and programs, including in the areas of strengthening competitiveness, enhancing social and environmental sustainability and improving the efficiency and transparency of public administration. The Performance and Learning Review (PLR) confirmed the relevance of the pillars and maintained most CPS objectives. PLR adjustments primarily reflected changes in country circumstances (stalled recovery and fiscal constraints).</p>		

¹ Only 20 percent of Armenia’s border is open. See <https://armenianweekly.com/2014/12/23/land-locked-necessity-open-borders-armenia/>.

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iii. At the beginning of the CPS period, the World Bank's portfolio was \$443.6 million² consisting of 19 IPF operations. During the CPS period, IBRD and IDA³ approved 15 new operations amounting to \$648.9 million. In the new lending, energy accounted for 18.8 percent (IPF and the PforR project). Other areas included education, agriculture, export development, jobs/tourism, roads, social protection, and public sector management (PSM). The pre-existing portfolio covered all the areas above, except for export development and jobs. New grant and trust fund commitments (\$37.0 million) broadly complemented lending operations. IFC made net commitments of \$190.7 million, primarily in the financial and infrastructure sectors. MIGA did not underwrite any new guarantee but had a small outstanding guarantee of \$3.7 million that was cancelled in FY16.

iv. IEG rates the overall development outcome as **Moderately Satisfactory**. Of the eight objectives, five were Mostly Achieved, two were Partially Achieved and one was Not Achieved. In Focus Area I (supporting competitiveness and job creation), progress was made in reducing tax compliance costs and the overall regulatory burden, streamlining export institutions, bringing in international investors, improving irrigation, investing in renewable energy, and improving road connectivity. However, progress was limited in expanding tourism activities and tourism related jobs outside Yerevan, improving agricultural productivity, and increasing power reliability. In Focus Area II (improving efficiency and equity in social services), significant progress was made in improving access to health services, but progress in quality of maternal and child health (MCH) and non-communicable diseases (NCD) services was limited and there is no information on improvements in efficiency. On education, there was significant progress in improving student readiness for elementary school among those having access to newly created preschools, as well as in improving the quality of secondary education. On social safety nets, Family Benefit Program (FBP) targeting did not improve and limited progress was made in increasing the coverage of poor households by the FBP. In Focus Area III, (improving governance and anti-corruption measures in public services), significant progress was made in improving the efficiency and coherence of tax administration and some progress was achieved on the institutional anti-corruption framework, but this institutional progress has not reduced perceptions of corruption yet. IEG could not verify progress in strengthening external and internal audit functions in the public sector. However, a more recent Bank assessment shows that little to no progress has been made in internal audit over the CPS period.

v. On balance, IEG rates World Bank Group performance as **Good**. Design. The CPS addressed well-identified development challenges and benefitted from alignment with government programs and consultations with stakeholders. The selected CPS areas were consistent with WBG twin goals of poverty reduction and shared prosperity. The CPS selected a limited number of objectives, with proposed interventions based on Bank Group's extensive knowledge and experience and the priorities of the GoA's ADS. Planned selectivity also took into account a division of labor with major development partners. Planned interventions included operations that could reasonably be expected to achieve the objectives in most areas. The results framework could have been stronger by more closely aligning indicators with outcomes and objectives, and Bank Group interventions. The use of World Bank programmatic DPFs, IPF, PforR, and ASA and IFC investments and Advisory Services (AS) projects was appropriate. The knowledge base for the CPS was well aligned with the areas covered by World Bank Group financing. There were possible synergies between DPF and IPF in some areas (e.g., tax reform and social protection). The CPS and PLR identified risks and mitigation measures adequately.

vi. Implementation. Implementation was affected by a change in government in 2014 and the deterioration of regional economic conditions after 2014. These reduced Armenia's fiscal space, with a negative impact on portfolio performance. The World Bank Group responded by intensifying the reform dialogue with government and development partners, helping the government to raise additional budget support and mobilize additional project financing, strengthening portfolio

² The portfolio consisted of IDA (\$179 million) and IBRD (\$264.6 million).

³ Armenia graduated to IBRD on July 1st, 2014, one year into the CPS.



management, and intensifying external communication with stakeholders. During implementation, the PLR made some changes to objectives, reduced the ambition of targets in some areas, and provided more time for achieving objectives. However, the changes were not sufficient to address the initial design shortcomings, including indicators that could not be verified from project documents or other public sources, or that did not fully reflect objectives or outcomes. There was little or no evidence of coordination between the Bank and IFC. Closed projects validated by IEG were reported to have satisfactory compliance with safeguards policies. Three Bank projects were investigated by the Inspection Panel (IP). IP was not able to establish material harm that may have resulted from non-compliance with Bank policies and procedures. INT substantiated three cases of attempted fraud in relation to procurement processes. Risk-mitigation measures were taken and sanctions pursued against some of the entities implicated in these cases. CAO investigated formal complaints over health concerns related to IFC's Amulsar Gold Mine project. The CAO noted some weaknesses in IFC's pre-investment review that translated into problems during the initial years of supervision but were subsequently addressed by IFC.

vii. IEG broadly agrees with CLR lessons. Some of the key ones are summarized as follows. First, early detection of adverse shocks may help mitigate their effect on program implementation. Second, sustained engagement with development partners supported by analytical work and policy dialogue can help leverage resources from those partners. Third, citizen engagement may help prevent delays in project implementation and increase beneficiary satisfaction rates. Fourth, intensive consultations with stakeholders will enhance the relevance of ASA.

viii. In addition, IEG provides the following three lessons:

- First, using PEFA assessment as outcome indicators without clear plans that it will be undertaken undermines appropriate monitoring of achievements on public financial management (PFM). In the case of Armenia, outcomes from the program's efforts in this area could not be assessed due to the absence of PEFA assessment at the time of CPS completion. Accordingly, future PFM efforts need upfront planning of PEFA products, appropriately timed to measure expected results. In addition, alternative measures of PFM efforts need to be provided in the event that PEFA assessment does not materialize as planned.
- Second, supporting the establishment of improved anticorruption institutions is necessary but not sufficient to reduce actual corruption. While Armenia made progress in developing governance and anticorruption institutions and tools, lagging implementation explains the limited success in reducing corruption. On the way forward, programs in Armenia may consider supporting more downstream actions on implementation of the Anticorruption Strategy that Armenia adopted in 2015.
- Third, achieving synergy by World Bank and IFC activities will require closer collaboration between the two institutions. During the CPS period, the Bank and IFC worked largely independently. The IFC's activities on banking finance and energy investments were relevant for the program's competitiveness and job creation pillar but had little or no coordination with Bank activities in this area. To strengthen synergies, the Bank and IFC will need to spell out together how their activities can mutually reinforce each other.

4. Strategic Focus

Relevance of the WBG Strategy:

1. **Congruence with Country Context and Country Program.** The CPS areas of focus and objectives were broadly aligned with the GoA's development objectives under its 2014 Armenia Development Strategy 2025 (ADS). The Government's overarching objective is to boost shared prosperity and reduce poverty through accelerated economic growth and job creation. The ADS is built around three pillars: jobs, social protection, and State effectiveness. CPS objectives were also aligned with sector government strategies and programs under those areas, including business environment and investment climate, public revenue mobilization, industry and export promotion,



tourism development, agriculture and rural development, labor market and employment, irrigation and others. The CPS targeted significant binding constraints to achieving GoA's overarching goals. Those constraints include poor labor market outcomes, notably high unemployment and low-paid employment, insufficient coverage and targeting of the social protection systems, and insufficient investment and firm creation that would spur competitiveness and growth. The severe underutilization of labor translates into lack of opportunities, notably for the bottom 40 percent of the population, whose households have fewer people employed and lower earnings. Improved labor outcomes require policies that promote equality of opportunity and create an enabling environment for private sector-led job creation.

2. **Relevance of Design.** The proposed WBG interventions could reasonably be expected to have had an impact toward CPS objectives in most areas. For example, the World Bank's interventions (including the DPO series, Tax Administration Modernization project) and IFC Investment Climate AS projects were all geared towards improving the business environment and the investment climate. Similarly, the Local Economy and Infrastructure Development project and the Trade Promotion and Quality Infrastructure project as well as an ASA on a strategy for stimulating the tourism potential of the South Corridor were supporting the CPS objective of expanding tourism activities. However, some interventions (e.g., in tourism) lacked enough traction to achieve significant outcomes during the CPS period. Planned ASAs covered critical knowledge inputs to design policy reforms and sector investment projects in most of the areas targeted by CPS objectives (including the power sector policy note, the export development strategy note, the CEM on growth, ASA on health sector financing). The CPS was appropriately flexible on financing instruments by planning an appropriate mix of programmatic Development Policy Financing (DPF) and Investment Project Financing (IPF) and adjusting lending to changing country circumstances. The CPS also leveraged financing from trust/fund financing to complement IDA/IBRD financing operations. Planned collaboration between the World Bank and IFC sought to build synergies and catalyze more private resources toward development. Planned coordination with IMF was intended to help maintain macro stability and mitigate external shocks.

Selectivity

3. The CPS was selective in focusing on three areas including a cross-cutting theme of governance, and eight objectives. Proposed interventions were based on the WBG's extensive country knowledge and implementation experience, their congruence with the ADS goals, and their potential impact. The CPS covered some of the critical areas (e.g. lifeline roads, agriculture, irrigation, social fund, social protection projects) that would support poverty reduction and/or shared prosperity. Program selection also considered a division of labor through collaboration with other development partners. For example, in public financial management reform, the Bank Group envisaged collaboration with the IMF, the European Union (EU), and the German Corporation for International Cooperation (GIZ, *Deutsche Gesellschaft für Internationale Zusammenarbeit*). Also, on domestic revenue mobilization, the CPS outlined the division of labor and collaboration with the IMF, EU, USAID, and GIZ. In lifeline roads, the CPS identified collaboration with the Asian Development Bank (ADB), the European Investment Bank (EIB), and the Eurasian Development Bank (EDB).

Alignment

4. The CPS objectives were broadly aligned with the 2013 corporate twin goals of poverty reduction and shared prosperity. The CPS and PLR maintained the Bank Group's focus on key areas to reduce poverty and raise incomes for the poorest 40 percent of the population (e.g. increasing the productivity and sustainability of livestock management and pasture leasing, raising incomes in some of the poorest areas in the country, and increasing the coverage of the Family Benefit Program (FBP)). Other interventions (investment climate reforms, competitiveness, access to energy, infrastructure) were also expected to contribute indirectly to these goals by raising incomes through increased overall economic growth.

5. Development Outcome

Overview of Achievement by Objective:

5. Following the shared approach, this assessment considers the extent to which CPS objectives were achieved, as updated in the PLR. Objectives are then aggregated to arrive at focus area ratings (as an intermediate step) and overall development outcome ratings. This review uses the following structure and terminology: three focus areas, including one cross-cutting area, eight objectives, and 16 outcomes.

Focus Area I: Supporting Competitiveness and Job Creation.

6. Focus Area I had four objectives: (i) improve the business environment and investment climate, especially for trade; (ii) increase investment in sectors with job-creating operations in rural and peri-urban areas outside of Yerevan; (iii) improve efficiency and sustainability of irrigation and pasture-land as key inputs to rural economy; and (iv) improve access, quality and sustainability of key infrastructure with nationwide-scope.

7. **Objective 1: Improve the business environment and investment climate, especially for trade.** This objective was supported through a program of four Development Policy Operations (DPOs, FY14, FY15, FY16, and FY17), the Tax Administration Modernization Project (FY13), the Improving Fiscal Management and Tax Compliance Capacity grant (FY10), the Trade Promotion and Quality Infrastructure (TPQI) project (FY15), the E-Society for Innovation for Competitiveness Project (FY11), a Non-Lending Technical Assistance (NLTA) project (FY15) on implementation of Armenia's Export Development Strategy, and a Trust Fund Grant in support of Armenia's Regulatory Guillotine Project. IFC provided support through its AS Investment Climate (IC) Reform Project. This objective had two outcomes and six related indicators:

- **Armenian businesses face lower “cost and time” barriers to profitable operations.** (i) **Lower tax compliance cost:** *[Partially Achieved]*. According to the Doing Business 2018 report, the tax compliance cost for Armenia declined from 380 hours in 2013 to 313 hours per year, still above the CPS target of 190 hours. (ii) **Fewer legal norms affecting businesses and citizens:** *[Mostly Achieved]*. The target was to reduce legal acts and business processes by at least 15 percent. According to the Regulatory Guillotine Project final report – produced by the National Center for Legislative Regulation Foundation, there was a 9.7 percent reduction in the number of legal acts (251 out of 2,546 legal acts were repealed) and a 16 percent reduction in the number of business processes (101 out of 633 business processes were repealed). (iii) **Reduction in total costs associated with compliance:** *[Achieved]*. The target was a minimum drop of 35 percent in both cost and time. The Completion and Results Memorandum for the Guillotine Project indicated that under the World Bank supported reform of legal acts and business processes, the overall compliance cost declined by 50 percent and the duration (days) of the business processes declined by 47.7 percent from 2013 to 2015. IEG rates this outcome as **Mostly Achieved**.
- **Institutional framework for export development improved.** (i) **Streamlined export and investment promotion institutions:** *[Achieved]*. The Armenian Development Agency (ADA), and the National Competitiveness Foundation of Armenia (NCFA) achieved the target of merging into a new agency, the Development Foundation of Armenia (DFA) in 2015. (ii) **Strengthened export standards and quality infrastructure:** *[Not Achieved]*. None of the Industrial Laboratories of the National Institute of Metrology (NIM) supported by a World Bank project have achieved the target of international accreditation. (iii) **Liberalized air services (through “open skies” policy reform) leads to more diversified regional air connections:** *[Partially Achieved]*. A Common Aviation Area agreement between Armenia and the EU was signed on November 24, 2017. However, this target does not reflect more diversified regional air connections. IEG rates this outcome as **Partially Achieved**.



8. Indicators broader than those discussed above suggest some progress on competitiveness. WEF's Global Competitiveness Index for Armenia improved from 4.0 (rank 85) in 2014 to 4.2 in 2017 (rank 73). Armenia's Doing Business distance-to-frontier improved from 68.3 (rank 37) in 2013 to 72.5 (rank 50) in 2017. On balance, IEG rates Objective 1 as **Mostly Achieved**.

9. **Objective 2: Increase investment in sectors with job-creating operations in rural and peri-urban areas outside of Yerevan.** The World Bank supported this objective through the Local Economy and Infrastructure Development (LEIDP) project (FY16) and the Trade Promotion and Quality Infrastructure project (FY15). IFC support included investments in a mining company and a hydropower generation company. This objective had two outcomes and three related indicators:

- Expansion of tourism activities (i) **Increase average spending per tourist trip: [Not Achieved]**. The ISR (November 2017) for the Local Economy and Infrastructure Development project reports that average spending per tourist trip (\$749.50) did not change and thus remained below the target of \$862.00 by September 2017. (ii) **Increase tourism-related jobs in target regions outside of Yerevan: [Not Achieved]**. The ISR (September 2017) for the Local Economy and Infrastructure Development project reports that the number of tourism related jobs created in the target regions remained at 133,500 by September 2017, below the target of 147,070. IEG rates this outcome as **Not Achieved**.
- New large-scale investors in industry, based outside of Yerevan. The CPS defined one target for this outcome: **International firms making first-ever Armenia investment in manufacturing or industry, located outside of Yerevan: [Achieved]**. The target was met with the launch of the construction of a gold mine and the purchase and the rehabilitation of a hydropower utility. However, the contribution of the WBG to these results is unclear. In particular, for reasons not explained in the CLR, IFC stepped out of the gold mine project. IEG rates this outcome as **Partially Achieved**.

10. Overall, there was progress in attracting investors outside of Yerevan, but limited or no evidence of increase in private sector investment and job creation in tourism, and limited job creation in mining and power during the CPS period. On balance, IEG rates Objective 2 as **Partially Achieved**.

11. **Objective 3: Improve efficiency and sustainability of irrigation and pasture-land as key inputs to rural economy.** The World Bank supported this objective through the Irrigation System Enhancement project (FY13), the Fourth DPO, the Water Resources Management NLTA project (FY15), the Community Agricultural Resource Management and Competitiveness (CARMAC) Project (FY11) and a related Trust Fund Grant (FY13), and the Second CARMAC project (FY14). This objective had two outcomes and four related indicators:

- More efficient irrigation network as a result of targeted investments and informed decision making: (i) **Increase energy saved annually, from zero in 2013 to 20.6 million kilowatt-hours in 2018: [Mostly Achieved]**. The ISR (September 2017) for the Irrigation System Enhancement project reports that the amount of energy saved annually in operating the irrigation system increased from zero in November 2012 to 16.6 million in August 2017. (ii) **Increase water saved annually, in cubic-meters from zero in 2013 to 20.6 million cubic-meters in 2018: [Achieved]**. The ISR for the Irrigation System Enhancement project (September 2017) reports that the conveyance efficiency in the targeted irrigation schemes improved from zero in November 2012 to 0.71 liters/s/per 100 meters or 24 million cubic-meters of water saved per year. IEG rates this outcome as **Mostly Achieved**.
- Improved productivity, and sustainability of pasture-land use. (i) **Increased community revenues from lease of pastures across all 175 target communities by 55 percent (2018): [Achieved]**. In the 81 communities supported by the FY11 CARMAC project, the revenue from the lease of pastures increased by 71 percent. According to the April 2018 ISR for the FY14 CARMAC 2 project which supports 100 communities, revenue of beneficiary communities had increased 98 percent by November 2017. (ii) **Improved milk productivity of livestock averaged across target herder communities by 20 percent (cattle) and 15**



percent (sheep) across total of 175 targeted communities: [Partially Achieved]. In 81 communities supported by the FY11 CARMAC project, milk production increased by 37.5 percent for cattle, and 28.7 percent for sheep. According to the September 2017 ISR for the CARMAC 2 project (100 communities), milk productivity of cattle had increased by 13.5 percent in July 2017. Productivity for sheep was not monitored under CARMAC 2, and thus IEG could not verify this indicator. IEG rates this outcome as **Mostly Achieved**.

12. The results achieved applied to targeted irrigation schemes and herder communities. The CLR does not indicate how important these inputs were to the overall rural economy. IEG rates Objective 3 as **Mostly Achieved**.

13. **Objective 4: Improve access, quality and sustainability of key infrastructure with nationwide-scope.** The World Bank supported this objective with the Electricity Supply Reliability (ESR) project (FY11) and its additional financing (FY15), the Power Transmission Improvement (PTI) project (FY15), the Power Sector Financial Recovery P4R project (FY16), the Lifeline Roads Improvement project (FY09) and its two additional financing (FY10 and FY11), and the Lifeline Road Network Improvement project (FY13) and its additional financing (FY16). IFC support comprised a \$140 million financing package for a hydropower project. There were two outcomes and four indicators for this objective.

- Increased adequacy and reliability of transmission network. (i) **Plant and equipment failures reduced in five target facilities from 25 percent in 2013 to 10 percent in 2018: [Not Achieved].** The number of plant and equipment failures per year in target substations increased (instead of reduced) from eight in 2014 to 10 in 2017 and remained at 10 in January 2018 (ISR January 2018); (ii) **Increase in international private companies investing in upgraded or greenfield power generation facilities, of which a minimum of 50 percent is exploiting renewable resources: [Partially Achieved].** The target was to have at least two international private companies invested in upgraded or greenfield power generation by 2018. One company invested in generation from a renewable resource: the upgrade of a 400-MW hydropower project was completed through its privatization and mobilizing \$100 million from commercial lenders for rehabilitation. According to the CLR, 10 potential investors have been prequalified to participate in the bidding for the development of a 55-MW solar photovoltaic plant through the Utility-Scale Solar Power Project. Given this project has not yet been approved, progress cannot be attributed to World Bank's support. IEG rates this outcome as **Partially Achieved**.
- Selected rural roads improved as part of a wider strategy to improve both domestic and external connectivity. (i) Increase the **share of rural population with access to an all-season road from 51 percent in (2013) to 66 percent in 2018: [Achieved].** This indicator increased from 51 percent in 2012 to 67.7 percent in 2017; (ii) **Increased safe travel speed from 20km/h to 40km/h on a sizeable section of rehabilitated lifeline roads, from zero km in 2013 to 300 km in 2018: [Mostly Achieved].** A total of 272 km of rural roads had been rehabilitated under the Lifeline Road Network Improvement project by October 2017. The ISR (December 2017) notes that the average speed on lifeline roads in project areas increased from 20km/h in 2012 to 43 km/h in 2017. IEG rates this outcome as **Mostly Achieved**.

14. Significant progress was made in improving selected rural roads as part of a wider strategy to improve both domestic and external connectivity but little or no progress was achieved in increasing the adequacy and reliability of the electricity supply. While Armenia's Doing Business indicator on supply reliability (duration and frequency of interruptions) improved, the evidence above indicates that Bank projects did not contribute to this improvement. The CLR does not provide information on the contribution of power and road project results at the nationwide level as articulated under Objective 4. On balance, IEG rates Objective 4 as **Mostly Achieved**.

15. On balance, IEG rates Focus Area I as **Moderately Satisfactory**. Of the four objectives, three were Mostly Achieved and one was Partially Achieved. On the business environment and



investment climate, the CPS made progress in lowering cost and time barriers to profitable operations and some progress in consolidating export institutions. On investment and job-creation, the CPS made little progress in tourism spending and tourism jobs, and some progress in bringing investors to industry outside of Yerevan. On irrigation and pasture land, there was good progress in improving efficiency in energy and water use in targeted irrigation schemes but mixed results in increasing revenues and productivity in targeted communities. However, there is no information on the significance of such results beyond the target communities. On key infrastructure, road connectivity improved but there is limited evidence of WBG contribution to improvements in power over the CPS period.

Focus Area II: Improving Efficiency and Targeting of Social Services.

16. Focus Area II had two objectives: (i) improve efficiency, equitable access, and quality of health and education services and (ii) improve coverage and targeting of social safety net programs.

17. **Objective 5: Improve efficiency, equitable access, and quality of health and education services.** Health outcomes received support from the Health Systems Modernization APL (FY07) and its additional financing project (FY11); the Disease Prevention and Control Project (FY13), and the FY15 DPO. Education outcomes in High Schools received support from the Education Improvement project (FY14) and the Second Education Quality and Relevance (FY09). The CPS sought four outcomes tracked with four indicators:

- Improved quality of care in maternal and child care (MCH) and non-communicable diseases (NCD). (i) **Increase percentage of women aged 30-60 screened for cervical cancer at least once in last 3 years from 10.2 percent in 2012 to 50 percent in 2018: [Partially Achieved].** As reported in the ISR for the FY13 project (January 2018), this indicator increased from 8.5 percent in January 2013 to 26.8 percent in January 2018. The indicator does not capture quality of NCD care. (ii) **Reduce rate of natal and post-natal complications from 86 percent in 2012 to 52 percent in 2018: [Partially Achieved].** The CLR reports that the rate of natal and post-natal complications was 49.6 percent in 2016, based on Armenia 2017 Yearbook. This information could not be verified by IEG and no World Bank Group project monitored this indicator. The Region provided additional data from the National Institute of Health Information Analytical Center that indicate a slight drop in two of the most common natal and post-natal complications (genitourinary complications by 9 percent and the rate of anemia from a baseline of 106 cases per 1,000 deliveries in 2012 to 104 in 2016). IEG rates this outcome as **Partially Achieved**.
- Expand utilization of state guaranteed health services by poor population. **Increase the rate of utilization of health services by bottom 40 percent of population (poorest two quintiles) from 4.7 percent out-patient and 5.2 percent in-patient services in 2013 to 6.9 percent of out-patient and 5.7 percent in-patient in 2018: [Achieved].** The Region provided the results of further analysis of the Integrated Living Conditions Survey (ILCS) - conducted by National Institute of Health. The analysis⁴ reveals that utilization of out-patient and in-patient health services in the bottom 40 percent of the population in 2016 was 6.8 percent and 6.3 percent respectively. IEG rates this outcome as **Achieved**.
- Enhance teaching and learning environment in high schools. **Increase the percentage of students obtaining a passing rate in mathematics in the unified entrance exam from 76 percent (both genders) in 2012 to 80 percent in 2018: [Achieved].** According to a report provided by the region from the Assessment and Testing Center, the mathematics passing rate was 85.5 percent (for all students). IEG rates this outcome as **Achieved**.
- Improved school readiness among those having access to newly created preschool education. **Higher Early Development Index scores of students enrolled in new preschools (compared to control group) from no difference in 2012 to 50 percent**

⁴ See <http://microdata.worldbank.org/index.php/catalog/2966/study-description>



differential in 2018: [*Achieved*]. According to additional evidence provided by the Region, the Early Development Index (EDI) scores improved in treatment group by 18 percentage points between the beginning and end of an academic year as compared to a 4-percentage point improvement in the control group achieving a differential much higher than targeted. IEG rates this outcome as **Achieved**.

18. There was significant progress in improving access to health (including for the poor) and education services, but no evidence on progress on the efficiency of those services. On balance, IEG rates Objective 5 as **Mostly Achieved**.

19. **Objective 6: Improve coverage and targeting of social safety net programs.** This outcome was supported by the Third Social Investment Fund project (FY07) and its three additional financing projects (FY09, FY10, and FY12), the Second Social Protection Administration project (FY14), the Social Investment and Community Infrastructure (FY15), and the first three DPOs. This objective had one outcome and two indicators.

- Further improvement of targeting and coverage of social assistance programs. (i) **Improved accuracy of targeting formula for the Family Benefit Program (FBP), increasing proportion of beneficiary families that are poor from 73 percent in 2012 to 85 percent in 2018:** [*Not Achieved*]. According to the 2016 Integrated Living Conditions Survey results, 73 percent of the FBP beneficiaries belonged to the bottom two quintiles compared to 74.2 percent in 2015, suggesting no improvement from the baseline. (ii) **Improved coverage of poor households by the FBP from 21 percent in 2012 to 27 percent in 2018:** [*Partially Achieved*]. According to data from the National Statistics Service provided by the Region, the coverage of the poor by the FBP had improved slightly from 21 percent in 2012 to 22.3 percent in 2016 (target 27 percent). However, this indicator was not monitored under any World Bank related projects. IEG rates this outcome as **Not Achieved**.

20. There was minimal progress, if any, in targeting and coverage of social assistance programs. On balance, IEG rates Objective 6 as **Not Achieved**.

21. On balance, Focus Area II is rated as **Moderately Unsatisfactory**. Objective 5 was Mostly Achieved, and Objective 6 was Not Achieved. On health services, there was significant progress in improving access to health services but limited progress on quality and no information is available on efficiency. On education services, the World Bank contributed to improved school readiness resulting from increased access to new preschools and to improved education outcome from higher quality of teaching and learning environment in high schools. The targeting of the FBP did not improve and the coverage of poor households by the FBP increased marginally.

Focus Area III: Improving Governance and Decreasing Corruption.

22. This Cross-cutting Area had two objectives: (i) improve the framework for fighting corruption in public services and (ii) strengthen the management of public resources.

23. **Objective 7: Improve the framework for fighting corruption in public services.** This outcome was supported by the Public Sector Modernization projects II (FY10) and III (FY16), the Tax Administration Modernization Project (FY13), the DPO series, an NLTA project (FY17) to the Ministry of Justice and the Anti-Corruption Council, and an NLTA project (FY16) funded from the Extractive Industries Technical Advisory Facility (EI-TAF). This objective had one outcome and two indicators.

- Improved institutional framework for fight against corruption and conflict of interest. (i) **Increase Global Competitiveness Indicators (GCI) on Favoritism in decisions of government officials (EU27) from 3.0 in 2012 to 3.5 in 2018:** [*Mostly Achieved*]. Armenia's score for the "Favoritism in decisions of government officials" improved to 3.4 in 2017 (WEF's latest Global Competitiveness Report (2017-2018)). (ii) **Formal Government of Armenia engagement in Extractive Industries Transparency Initiative (EITI) from no commitment in 2013 to active EITI candidate in 2018.** [*Achieved*]. The target was met as



the EITI Board approved Armenia's EITI candidature application at a Board meeting in March 2017 (EITI website). IEG rates this outcome as **Mostly Achieved**.

24. However, new anticorruption institutions have not yet translated into reduced perceptions of corruption. Transparency International's corruption perceptions index deteriorated from 37/100 in 2014 to 35/100 in 2017. Considering progress on EITI and that the objective focused on improving the anti-corruption institutional framework rather than on perceptions of the extent of corruption, IEG rates Objective 7 as **Mostly Achieved**.

25. **Objective 8: Strengthen the management of public resources.** This objective was supported by the Strengthening Public Financial Management grant (FY12), the Capacity Building for Public Sector Auditing grant (FY12), the Tax Administration Modernization Project (FY13), the Improving Fiscal Management and Tax Compliance Capacity grant (FY10), the DPO 1-4 series (FY14-17), and TA in support of reforms to the Armenia Tax Code (FY16). The CPS sought the following two outcomes with two indicators:

- Significant strengthening of internal control systems in government (i) **Enhanced external scrutiny and audit as measured by an improvement of PEFA PI-26 from D+ in 2008 to B in 2018: [Not Verified]**. No PEFA assessment has been undertaken since 2013. The CLR reports that sufficient progress has been made with financial and compliance methodology and commensurate staff training for the PI-26 to have reached a B rating in 2018. However, the CLR provides little evidence that the standards for a B rating have been met⁵. (ii) **Improved effectiveness of internal audit as measured by an improved score for PEFA PI-21 from D+ in 2008 to B in 2018: [Not Verified]** According to the CLR, sufficient progress has been made with internal audit functions to warrant a B rating in 2018. GoA's internal audit meet the B score for PI-21. However, the CLR does not provide sufficient evidence that internal audit in the public sector meets the criteria for a B rating on PEFA PI-21⁶. A recent Bank assessment of PFM including procurement concludes that the fragmented framework of implementation of these reforms caused delays in implementation, insufficiently concrete achievements and poor synergy and impact in terms of efficiency and governance. On internal audit, the same report notes that previous TA (2011) had not been sufficiently consolidated and followed-up on by the authorities or donors⁷. IEG rates this outcome as **Not Achieved**.
- Increased efficiency and coherence of tax administration. Progress toward the CPS outcome target was as follows: **Strategic and transparent framework for taxation outlined in new comprehensive tax code adopted and implemented: [Mostly Achieved]**. The Unified Tax Code including measures to enhance revenues, improve the efficiency, transparency and equity of the tax system and strengthen tax administration was approved by the Parliament in October 2016 and came into full effect only in January 2018, after the CPS period,⁸.

⁵ Criteria for a B rating on external audit: (i) Central government entities representing at least 75% of total expenditures are audited annually, at least covering revenue and expenditure. A wide range of financial audits are performed and generally adheres to auditing standards, focusing on significant and systemic issues; (ii) Audit reports are submitted to the legislature within 8 months of the end of the period covered and in the case of financial statements from their receipt by the audit office; and (iii) A formal response is made in a timely manner, but there is little evidence of systematic follow-up.

⁶ Criteria for a B rating on internal audit: ((i) Internal audit is operational for the majority of central government entities (measured by value of revenue/expenditure), and substantially meet professional standards. It is focused on systemic issues (at least 50% of staff time); (ii) Reports are issued regularly for most audited entities and distributed to the audited entity, the ministry of finance and the SAI; and (iii) Prompt and comprehensive action is taken by many (but not all) managers.

⁷ Programmatic Technical Assistance on Public Financial Management in Armenia (P165251)- Concept Note.

⁸ See <https://www.ilex.am/en/archive/183-armenian-new-tax-law-brief,-provisions-that-come-into-force-starting-2017.html>



Although this paves the way for increased efficiency and coherence of the tax administration, actual outcomes will depend on sustained implementation. On the other hand, the Region reports that, with the support of the ongoing World Bank-financed Tax Administration Modernization Project (TAMP), the efficiency of the tax administration improved between 2012 and 2017 in many areas. [*Mostly Achieved*].

26. On balance, IEG rates Objective 8 as **Partially Achieved**.

27. Focus Area III is rated as **Moderately Satisfactory**. One objective was Mostly Achieved, and one was Partially Achieved. Significant progress was made in increasing the efficiency and coherence of tax administration and some progress towards improving the institutional framework to fight against corruption and conflict of interest, although perceptions of corruption did not decline. Evidence of achievement of strengthening internal control systems in government could not be verified.

Overall Assessment and Rating

28. IEG rates the overall development outcome as **Moderately Satisfactory**. Of the eight objectives, five were Mostly Achieved, two were Partially Achieved and one was Not Achieved. In Focus Area I (supporting competitiveness and job creation), progress was made in reducing tax compliance costs and the overall regulatory burden, streamlining export institutions, bringing in international investors, improving irrigation, investing in renewable energy, and improving road connectivity. However, progress was limited in expanding tourism activities and tourism related jobs outside Yerevan, improving agricultural productivity, and increasing power reliability. In Focus Area II (improving efficiency and equity in social services), significant progress was made in improving access to health services, but progress in quality of MCH and NCD services was limited and there is no information on improvements in efficiency. On education, significant progress was made in improving student readiness to elementary school among those having access to newly created preschools, as well as in improving the quality of secondary education. On social safety nets, Family Benefit Program (FBP) targeting did not improve and limited progress was made in increasing the coverage of poor households by the FBP. In Focus Area III, (improving governance and anti-corruption measures in public services), significant progress was made in improving the efficiency and coherence of tax administration and some progress was achieved on the institutional anti-corruption framework, but this institutional progress has not reduced perceptions of corruption. As the planned PEFA was not conducted IEG could not verify progress in strengthening external and internal audit functions in the public sector. However, a more recent Bank assessment shows that little to no progress was made in internal audit over the CPS period.

Objectives	CLR Rating	IEG Rating
Focus Area I: Supporting Competitiveness and Job Creation.		Moderately Satisfactory
<i>Objective 1: Improve the business environment and investment climate, especially for trade.</i>	<i>Mostly Achieved</i>	<i>Mostly Achieved</i>
<i>Objective 2: Increase investment in sectors with job-creating operations in rural and peri-urban areas outside of Yerevan.</i>	<i>Partially Achieved</i>	<i>Partially Achieved</i>
<i>Objective 3: Improve efficiency and sustainability of irrigation and pasture-land as key inputs to rural economy.</i>	<i>Mostly Achieved</i>	<i>Mostly Achieved</i>
<i>Objective 4: Improve access, quality and sustainability of key infrastructure with nationwide-scope.</i>	<i>Mostly Achieved</i>	<i>Mostly Achieved</i>
Focus Area II: Improving Efficiency and Equity in Social Services.		Moderately Unsatisfactory
<i>Objective 5: Improve efficiency, equitable access, and quality of health and education services.</i>	<i>Mostly Achieved</i>	<i>Mostly Achieved</i>



<i>Objective 6. Improve coverage and targeting of social safety net programs.</i>	<i>Partially Achieved</i>	<i>Not Achieved</i>
Cross-cutting Area: Improving Governance and Anti-Corruption Measures in Public Services.		Moderately Satisfactory
<i>Objective 7. Improve the framework for fighting corruption in public services.</i>	<i>Mostly Achieved</i>	<i>Mostly Achieved</i>
<i>Objective 8. Strengthen the management of public resources.</i>	<i>Mostly Achieved</i>	<i>Partially Achieved</i>

6. WBG Performance

Lending and Investments

29. At the beginning of the CPS period, the World Bank’s portfolio was \$443.6 million⁹ consisting of 19 Investment Project Financing (IPF) operations including Additional Financing. During the CPS period, the World Bank¹⁰ approved 15 new operations amounting to \$648.9 million. The new lending consisted of 10 IPF including Additional Financing, four DPO series and one PforR. IPF operations accounted for more than half (57.3 percent) of new lending; while the remainder was divided between the DPO program (38.1 percent); and one PforR operation (4.6 percent). The DPOs covered taxes, irrigation, social protection and public sector management. Of total new lending, energy alone accounted for 18.8 percent (IPF and the P4R project). Other areas with IPF projects (education, agriculture, export development, jobs/tourism, roads, social protection, and PSM) accounted each for less than 10 percent. The pre-existing portfolio covered all the areas above, except export development and jobs. In addition to lending operations, the World Bank leveraged its assistance with new grant and trust fund commitments, amounting to \$21.8.0 million, broadly complementing its lending operations.

30. Armenia’s portfolio at exit performed better than the average for ECA and the Bank. Outcomes on all eight projects validated by IEG were rated Moderately Satisfactory or better, surpassing the average for ECA (93.3 percent) and for the Bank (85.4 percent). Risk to Development Outcome ratings (50 percent of projects with risk rated moderate or lower) were similar to ECA (51.7 percent) but above the overall Bank (43.5 percent). The share of projects at risk in Armenia’s active portfolio was lower, compared to ECA and the World Bank. The share of the number of projects at risk averaged 7.9 percent, less than for ECA (13.8 percent) and the Bank (21.3 percent). The share of commitments at risk for Armenia (15.3 percent) was about the same as ECA (15.0 percent) and lower than for the Bank (21.9 percent). The share of projects at risk increased in FY16, as in ECA, but declined close to previous levels in FY17. The CLR explains the portfolio management challenges experienced in FY15 and the successful remedial measures taken by the Bank, including a thorough country portfolio review, a quarterly portfolio disbursement analysis, and regular engagement with the government on crosscutting and project-specific concerns. Overall, the CLR indicates that this performance was underpinned by effective portfolio management. In particular, a 2017 portfolio review resulted in several immediate actions (restructuring of three projects and thorough review of four projects that had shown little progress).

31. During the CPS period, IFC made net commitment of \$190.7 million. Two main sectors of IFC investment were the financial sector (\$72.0 million or 37.8 percent of total FY14-17 net commitment) and the infrastructure sector (\$61.4 million of 32.2 percent). IFC’s annual net commitments varied from only \$3.2 million in FY15, due to a total cancelation of \$15.0 million, to \$86.0 million in FY16. The largest project was IFC’s \$47.9 million investment in the hydro power plant in FY17. IFC’s short-term trade finance guarantee was rather small with \$10 million or 5.2 percent of total IFC net commitments during the review period.

⁹ The portfolio consisted of IDA (\$179 million) and IBRD (\$264.6 million).

¹⁰ Armenia graduated to IBRD on July 1st, 2014, one year into the CPS.



32. During the review period, IEG validated two Expanded Project Supervision Reports (XPSRs) of IFC investment project and assigned development outcome ratings of Mostly Unsuccessful for two projects. The project experienced implementation delays and missed the revenue targets as the market demand was slow to pick up due to the macro environment following the 2008 crisis.

33. During the CPS period, MIGA did not underwrite any new guarantee. MIGA had a small outstanding guarantee of \$3.7 million to an international microfinance group approved in FY11, but it was cancelled by the sponsor in FY16.

Analytic and Advisory Activities and Services

34. During the CPS period, the World Bank completed 37 ASA tasks, comprised of 11 ESWs and 26 non-lending technical assistance (NLTA) tasks. Completed activities covered most areas where the Bank provided operational support (economic growth drivers, education, public expenditure management, tax code and policy reform, mining, power, agriculture commercialization, health, water resource management, tourism development, export development, trade, and regional development) and other topics not linked to specific CPS objectives (e.g. tasks on gender dynamics vulnerability), although relevant from a broader development perspective. Several of the reports are publicly available in the World Bank's Open Knowledge Repository.

35. During the CPS period, IFC approved four AS projects amounting to \$3.4 million of IFC funds. IFC carried out projects in the financial sector, agricultural sector, and investment climate reforms. The AS project in the financial sector was complementary to IFC's IS operation as it sought to improve the risk management capacity of IFC client banks and helped expand its lending business to SMEs. IFC's AS Investment Climate (IC) Reform Project supported the IC reforms in a wide range of areas, including a review of existing investment law, a review of the agriculture sector, capacity building of investment promotional agencies, and support towards Doing Business (DB) reform.

36. IEG validated three Project Completion Reports (PCRs) of AS projects and assigned Mostly Successful ratings to their Development Effectiveness. IEG's assessment is that the AS IC project contributed towards improving the investment climate in many areas, including streamlining of the tax regime and simplification of customs valuation procedures. However, due to weak M&E, including the absence of baselines and targets, changing methodologies, insufficient evidence and overreliance on DB indicators, IEG was unable to validate the results in terms of reduction in time and costs, compliance cost savings and private sector savings. On doing business reforms, IEG finds that a solid partnership developed between the Government of Armenia and IFC, and that the IC project met most of its outcome indicators. However, the project was too ambitious with its plans for achievements and required two follow-up AS projects to complete all project objectives.

Results Framework

37. The CPS objectives were well-aligned with country development goals and addressed areas with critical development constraints (e.g., power, regional development, health, education and social protection). Results chains were broadly convincing. To improve the business environment, for example, the CPS included assistance toward regulatory reform aimed at reducing regulatory costs. Overall, the outcomes had measurable indicators and had baselines and targets. However, there were weaknesses in the quality of some indicators and their alignment with outcomes or objectives, and interventions. First, some outcome indicators did not accurately reflect the associated outcomes. For example, the CPS outcome to enhance the teaching and learning environment in high schools was monitored by the increase in the percentage of students obtaining a passing rate in mathematics in the unified entrance exam. The latter, although a possible result, does not directly measure the vaguely defined outcome (teaching and learning environment). Second, some outcome indicators reflected only a part of the CPS objectives. For example, outcome indicators for the CPS objective to improve efficiency, equitable access, and quality of health and education services did not cover efficiency. Third, some indicators covered only results directly under World Bank's projects (e.g., on irrigation and roads), with no reference to the country-wide scope of the CPS objectives. Fourth, some indicators and targets could not be verified, in part because some indicators were not tracked by program interventions supporting the outcomes. At the PLR stage, there were some adjustments,



including the reformulation of objective and adjustment in indicators and targets to reflect the changed country context. However, the changes were not sufficient to reverse the original design shortcomings of the results framework and reflect actual implementation shortcomings.

Partnerships and Development Partner Coordination

38. The CPs planned for coordination and collaboration with key development partners as well as mobilization of resources including from the IMF, EU institutions, Asian Development Bank, EDB, EBRD, USAID, and GIZ. During implementation, the WBG mobilized significant resources in support of: (i) policy reforms supported by the Asian Development Bank (ADB), the Eurasian Development Bank (EDB), and the IMF; (ii) school rehabilitation with greater focus on seismic resilience supported by the ADB and UNICEF; (iii) PFM reforms supported by GIZ; (iv) regional development to address territorial disparities supported by USAID, European Union, and the Swiss Development Cooperation (SDC); and (v) energy sector and private sector development supported by the European Bank for Reconstruction and Development (EBRD) and ADB. In addition, the Bank Group, crowded in co-financing in other areas (e.g. \$220 million in 2015 in irrigation and education). The Bank Group also helped to establish a platform for donor coordination and co-led sectoral donor coordination groups (infrastructure, road, energy) with the government. Finally, the World Bank and development partners supported the government in developing the new Law on Public Procurement.

Safeguards and Fiduciary Issues

39. During the CPS period, eight investment operations were closed and validated by IEG, of which seven triggered environmental and social safeguards in the transport, social protection, water, and health sectors. The CLR points to proper management and implementation of safeguard arrangements, with satisfactory ratings throughout the portfolio. The projects' ICRs and ICRRs report full participation of local communities, disclosure and proper consultation with stakeholders, constant monitoring with good records on environmental and social outcomes, and no damage to the population or the environment. Some shortfalls included implementation delays and weak fiduciary and project capacity (due to high personnel turnover at implementing agencies) on the ground. Safeguards compliance is reported as consistently satisfactory and all issues are said to have been properly addressed by the projects' close.

40. During the CPS period, three requests for investigation were submitted to the Inspection Panel (IP) concerning two projects in the education (Second Education Quality and Relevance Project-P107772, Education (Improvement Project-P130182) and one in water (Irrigation System Enhancement Project-P127759) sectors, respectively in 2014 and 2016. The Panel concluded that, while the concerns were legitimate, it was not able to establish that the concerns were "instances of material harm that may have resulted from a failure of the Bank to follow its Operational Policies and Procedures". According to the CLR, the Bank worked closely with the client to address the concerns.

41. Between FY14 and FY17, INT substantiated three cases of attempted fraud in relation to procurement processes. One was related to a water sector project (Municipal Water), one to a health sector project (Second Health System Modernization Project APL2), and one to a transport sector project (Lifeline Road Network Improvement). In each case, companies had submitted fraudulent documents in their bids. Risk-mitigation measures included recommendations to encourage due diligence by client agencies when validating documentation in bids. Sanctions were pursued against some of the entities implicated in these cases.

42. The IFC's Office of the Compliance Advisor Ombudsman (CAO) investigated formal complaints filed by NGOs and local residents in 2014 over health concerns regarding IFC's Amulsar Gold Mine project. The CAO concluded that, while IFC's support to the client in preparing an Environmental and Social Impact Assessment (ESIA) addressed the risks and potential impacts of the mine, IFC's efforts met the requirements of IFC's Sustainability Framework and reflected good international industry practice, but that weaknesses in IFC's pre-investment review and due diligence translated into problems during the initial years of supervision. The CAO found that IFC did not effectively supervise the client's delivery of agreed environmental and social (E&S) mitigation measures from 2007 to 2013. In particular, the Environmental and Social Management System

(ESMS) for exploration activities was not completed in a timely manner. As a result, IFC did not have assurance that the exploration activities were being carried out in accordance with its E&S requirements or that the client's ongoing E&S assessment work was being conducted to IFC standards. However, the CAO noted a marked improvement in IFC's supervision of the project from 2013 onward. The result was significant improvement in client E&S performance. In its response to the CAO, IFC indicated that it had recently formalized existing practice into documented procedural guidance for the E&S appraisal and supervision of phased development projects to avoid similar problems in future projects.

Ownership and Flexibility

43. The GoA demonstrated ownership both at the design and implementation stages. Alignment with GoA's programs and World Bank's consultations with a broad range of stakeholders indicates ownership at the design stage. Furthermore, the government's proactive portfolio management and PIU reorganization to mitigate the adverse impact of emerging fiscal gaps suggest sustained commitment during implementation. At the PLR, the World Bank showed flexibility by adjusting the indicators and targets to reflect changed country circumstances (e.g., fiscal constraints). More focus was provided on supporting resilience to shocks and the revisions reflected the reduced space for net job creation. Indicators for results in tourism, regulatory simplification, and transparency were redefined based on the new Government's programs (2014 change) and to more accurately reflect project design. Delays in project launch, and changes linked to Eurasian Economic Union (EEU) accession, required revision to indicators for export development and tax administration.

World Bank Group Internal Cooperation

44. The CPS and the PLR outlined Bank and IFC areas of collaboration (business and investment climate reforms, tax administration modernization, financial intermediation and access to financial services, implementation of government strategy for agriculture and rural development, mining, and energy). Nevertheless, there are no indications of actual cooperation during implementation. Instead, the Bank and IFC worked largely separately on their own areas of engagement. For example, the World Bank helped the government to prepare a new mining code, improve regulations to enhance the mining sector's social and environmental sustainability, and become a candidate to EITI. IFC supported the development of Armenia's largest gold mine but eventually stepped-out. Similarly, the World Bank's support of energy sector reforms aimed at improving sector sustainability while IFC supported private sector investment in the sector.

Risk Identification and Mitigation

45. The CPS identified a number of risks that could significantly derail government programs (macroeconomic conditions, regional security, domestic political developments and vested interests, and natural disaster (earthquakes) and climate change risks). The PLR highlighted risks that had materialized at that stage (stalled recovery, regional recession, currency crises) and that resulted in social tensions and fiscal gaps. Political economy risks also materialized and contributed to implementation delays and to polarized debates on key reforms under the WBG program (energy, taxation). The CPS set out several mitigation measures that were strengthened in the PLR and implemented as the risks materialized. For example, to mitigate risks from the economic slowdown after 2014, the World Bank Group increased its dialogue on structural reforms with government stakeholders and development partners, coordinated more closely with the IMF on macroeconomic issues, and helped mobilize additional budget support. Furthermore, in response to the larger fiscal gaps that materialized, the CLR reports that the World Bank supported the government by developing criteria for prioritizing capital expenditures and a framework for PIU consolidation and conducted a portfolio review to develop immediate mitigation measures.

Overall Assessment and Rating

46. IEG rates performance as **Good. Design**. The CPS addressed well identified development challenges and benefitted from alignment with government programs and consultations with stakeholders. The selected CPS areas were consistent with World Bank Group's twin goals of poverty reduction and shared prosperity. The CPS selected a limited number of objectives, with



proposed interventions based on WBG's extensive knowledge and experience and the priorities of the GoA's ADS. Planned selectivity also considered a division of labor with major development partners. Planned interventions included operations that could reasonably be expected to achieve the objectives set in most areas. The results framework could have been stronger by more closely aligning outcomes indicators with outcomes or objectives and interventions. The use of World Bank programmatic DPOs, IPF, PforR, and ASA and IFC investments and AS projects was appropriate. The knowledge base for the CPS was well aligned with the areas covered by WBG financing. There were possible synergies between DPOs and IPF in some areas (e.g., social protection, tax reform, energy). The CPS and PLR identified risks and mitigation measures adequately.

Implementation.

47. Implementation was affected by a change in government in 2014 and the deterioration of regional economic conditions after 2014. These resulted in a higher public debt and narrower fiscal space, with a negative impact on portfolio performance. The World Bank Group responded constructively, by intensifying the reform dialogue with government and development partners, helping the government to raise additional budget support and mobilize additional project financing, strengthening portfolio management, and intensifying external communication with stakeholders. During implementation, the PLR dropped two objectives (on access to finance and innovation), added others (e.g., on investment), and reformulated others (e.g., on irrigation). The PLR also reduced the ambition of targets in some areas and provided more time for achieving program objectives. However, the changes were not sufficient to address initial design shortcomings at the CPS stage. Many outcome indicators did not fully reflect the outcome, or indicators only partly reflected the objectives, and others could not be verified. There were no joint World Bank-IFC operations and little or no evidence of coordination between the two institutions. Donor coordination was strong. The closed projects validated by IEG were reported to have satisfactory compliance with safeguards policies. On three requests for investigation submitted to the IP, the Panel concluded that it was not able to establish instances of material harm that may have resulted from non-compliance with Bank operational policies and procedures. INT substantiated three cases of attempted fraud in relation to procurement processes. Risk-mitigation measures were taken, and sanctions were pursued against some of the entities implicated in these cases. CAO investigated formal complaints filed by NGOs and residents over health concerns related to IFC's Amulsar Gold Mine project. The CAO noted some weaknesses in IFC's pre-investment review that translated into problems during the initial years of supervision but were subsequently addressed by IFC. Following the complaints, IFC divested from the project.

7. Assessment of CLR Completion Report

48. The CLR provides an informative and comprehensive assessment. The CLR provides evidence on the extent to which outcomes were achieved as well as on the World Bank Group's contribution to these results, albeit with the caveats on the inadequacy of some outcome indicators. It discusses links of the WBG program to shared prosperity and poverty reduction goals. There was adequate attention to the role played by ASA. The CLR provided adequate discussion of implementation challenges and Bank's responses to these challenges. The CLR could have been more explicit on IFC's pull-out of Amulsar gold mine¹¹, its implications for investment and mine development, and the role of IFC in this project. More generally, the CLR could have provided a more robust and detailed account of how the Bank and IFC collaborated, especially in mining, energy, and the investment climate.

¹¹ Beginning in 2007, IFC supported exploration efforts and subsequent feasibility studies to advance the project to the construction phase, which commenced in 2017. According to the CLR, the developer succeeded in raising financing for construction of the mine from private sources without IFC participation. In 2017, IFC exited from the company.

8. Findings and Lessons

49. IEG broadly agrees with CLR lessons. Some of the key lessons are summarized as follows. First, early detection of adverse shocks may help mitigate their effect on program implementation. Second, sustained engagement with development partners, supported by analytical work and policy dialogue, can help leverage resources from those partners. Third, citizen engagement may help prevent delays in project implementation and increase beneficiary satisfaction rates. Fourth, intensive consultations with stakeholders will enhance the relevance of ASA services.

50. IEG provides the following three lessons:

- First, using PEFA assessment as outcome indicators without clear plans that it will be undertaken undermines appropriate monitoring of achievements on public financial management (PFM). In the case of Armenia, outcomes from the program's efforts in this area could not be measured due to the absence of PEFA assessment at the time of CPS completion. Accordingly, future PFM efforts need upfront planning of PEFA products, appropriately timed to measure expected results. In addition, alternative measures of PFM efforts need to be provided in the event that PEFA assessment does not materialize as planned.
- Second, supporting the establishment of improved anticorruption institutions is necessary but not sufficient to reduce actual corruption. While Armenia made progress in developing governance and anticorruption institutions and tools, lagging implementation explains the limited success in reducing corruption. On the way forward, programs in Armenia may consider supporting more downstream actions on implementation of the Anticorruption Strategy that Armenia adopted in 2015.
- Third, achieving synergy by World Bank and IFC activities will require closer collaboration between the two institutions. During the CPS period, the Bank and IFC worked largely independently. The IFC's activities on banking finance and energy investments were relevant for the CPS's competitiveness and job creation pillar but had little or no coordination with Bank activities in this area. To strengthen synergies, the Bank and IFC will need to spell out together how their activities can mutually reinforce each other.

- Annex Table 1: Summary of Achievements of CPS Objectives – Armenia
- Annex Table 2: Armenia IBRD/IDA Planned and Actual Lending, FY14-FY17
- Annex Table 3: Advisory Services and Analytics Work for Armenia, FY14-FY17
- Annex Table 4: Armenia Grants and Trust Funds Active in FY14-17
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- Annex Table 6: IEG Project Ratings for Armenia and Comparators, FY14-17
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Annex Table 1: Summary of Achievements of CPS Objectives – Armenia

	CAS FY14-FY17: Focus Area I: <i>Supporting Competitiveness and Job Creation</i>	Actual Results	IEG Comments
<p><u>Major Outcome Measures</u></p>	<p>Objective 1: Improve the business environment and investment climate, especially for trade</p> <p>Outcome 1: Armenian businesses face lower 'cost and time' barriers to profitable operations:</p> <p>Indicator 1: Lower tax compliance cost</p> <p>Baseline (2013): 380 hours Target (2018): 190 hours</p>	<p>This outcome received support from the Tax Administration Modernization Project (P111942:FY13) and from the Improving Fiscal Management and Tax Compliance Capacity grant (see the August 2012 ISR: MS P120122: FY10). These projects sought to modernize Armenia's tax administration to (i) increase voluntary tax compliance, (ii) reduce tax evasion, (iii) reduce compliance costs; and (iv) increase administrative efficiency. The outcome was also supported by the First (P127754:FY14), Second (P143040:FY15), Third (P153234:FY16) and Fourth (P160100 : FY17) Development Policy Operations (DPOs) which sought to strengthen the business environment by reducing the burden of inspections on businesses among other objectives such as unifying and rationalizing taxation and reducing time and costs of customs clearances.</p> <p>This outcome received support from the Trade Promotion and Quality Infrastructure project (P146994:FY15) which sought to strengthen the government's capacity to provide export promotion, investment attraction and quality management services to firms. The outcome was also supported through a Non-Lending Technical Assistance (TA) project (P145530:FY15) to assist the Ministry of Economy of Armenia in the implementation of the Export Development Strategy. A trust fund grant for strengthening the capacity of the Regulatory Reform Unit of the Armenian government also supported this outcome (P128769:FY13).</p> <p>IFC support to this outcome included the Armenia Investment Climate Reform advisory Project (588147: FY12) and the Armenia Investment Climate II project (600244: FY15) which sought to improve the investment climate in Armenia by reducing the time and cost of doing</p>	<p>This objective was clarified at PLR stage. The original CPS objective was, "Enabling environment for business operations improved."</p>



	CAS FY14-FY17: Focus Area I: <i>Supporting Competitiveness and Job Creation</i>	Actual Results	IEG Comments
		<p>business and increasing the effectiveness of regulation in four key areas: Business taxation, Trade logistics, Business inspections, and Food safety.</p> <p>A trust fund grant for strengthening the capacity of the Regulatory Reform Unit of the Armenian government also supported this outcome (P128769:FY13). The Implementation Completion and Results Memorandum that reports on the development of Regulatory Impact Assessments (RIA) undertaken for new regulations, as of July 2015.</p> <p>According to the Doing Business 2018 report, the tax compliance cost for Armenia was 313 hours per year.</p> <p>Partially Achieved</p>	
	<p>Outcome 1: Armenian businesses face lower 'cost and time' barriers to profitable operations:</p> <p>Indicator 2: Fewer legal norms affecting businesses and citizens</p> <p>Baseline (2013): 2546 legal acts and 604 business processes Target (2018): Reduction of at least 15%</p>	<p>According to the Regulatory Guillotine Project final report – produced by the National Center for Legislative Regulation Foundation, 251 out of 2,546 legal acts (9.7%), and 101 out of 633 business processes (16%) were repealed.</p> <p>Mostly Achieved</p>	
	<p>Outcome 1: Armenian businesses face lower 'cost and time' barriers to profitable operations:</p> <p>Indicator 3: Lower Total costs associated with compliance</p> <p>Baseline (2013): regulatory burden = 13,731 days and 204.5m AMD Target (2018): minimum drop of 35% in both cost and time</p>	<p>According to the Implementation Completion and Results Memorandum of P128769, the WB supported reform of legal acts and business processes resulted in an overall compliance cost reduction of 50% or 23,667 million AMD, compared to a baseline of 47,086 million AMD. Furthermore, the reforms resulted in a 47.7 percent reduction in duration (days) of the business processes from the initial total of 16,367.</p> <p>Achieved</p>	
	<p>Outcome 2: Institutional framework for export development improved:</p>	<p>This outcome received support from the Trade Promotion and Quality Infrastructure project (P146994:FY15) which sought to strengthen the</p>	



	CAS FY14-FY17: Focus Area I: <i>Supporting Competitiveness and Job Creation</i>	Actual Results	IEG Comments
	<p>Indicator 1: Streamlined export and investment promotion institutions</p> <p>Baseline (2013): Fragmented activities on export and investment promotion.</p> <p>Target (2018): Export and investment promotion activities consolidated under one Government Agency.</p>	<p>government's capacity to provide export promotion, investment attraction and quality management services to firms. The outcome was also supported through a Non-Lending Technical Assistance (TA) project (P145530:FY15) to assist the Ministry of Economy of Armenia in the implementation of the Export Development Strategy. According to the September 2017 (ISR:MU), for project P146994, the merger of the Industrial Development Fund (IDF), the Armenian Development Agency (ADA), and the National Competitiveness Foundation of Armenia (NCFA) into a new agency, the Development Foundation of Armenia (DFA) was completed by September 2015. The website of the DFA agency indicates that it was established in 2015.</p> <p>Achieved</p>	
	<p>Outcome 2: Institutional framework for export development improved:</p> <p>Indicator 2: Strengthened export standards and quality infrastructure.</p> <p>Baseline (2013): Zero quality infrastructure (QI) laboratories with international certification/ accreditation</p> <p>Target (2018): A minimum of 2 QI labs upgraded to internationally recognized standards</p>	<p>According to the May 2018 ISR:MU for the Trade Promotion and Quality Infrastructure project P146994, none of the Industrial Laboratories of the National Institute of Metrology (NIM) were accredited by an accreditation organization that is a signatory to an Multilateral Recognition Agreements (MLAs) or Mutual Recognition Agreements (MRAs) from the International Laboratory Accreditation Cooperation or the International Accreditation Forum.</p> <p>Evidence provided by the Region, in the form of a certificate of accreditation issued by an international standards organization (ANSI-ASQ National Accreditation Board (ANAB) - suggests that one quality infrastructure laboratory (FDA Laboratory) was upgraded to internationally recognized standards in 2016.</p> <p>Not Achieved</p>	<p>Although both the CLR and the additional evidence provide by the Region suggests that one laboratory (FDA Lab) was upgraded to internationally recognized standards in 2016, there is no evidence that this was achieved as a result of World Bank Group support.</p>
	<p>Outcome 2: Institutional framework for export development improved:</p>	<p>The outcome was supported by the First (P127754:FY14), Second (P143040:FY15), and Third (P153234:FY16) DPOs which supported efforts to strengthen the legal, regulatory</p>	<p>At PLR stage, the specification of this indicator was modified. The original CPS indicator was specified as follows, "Air</p>



	CAS FY14-FY17: Focus Area I: <i>Supporting Competitiveness and Job Creation</i>	Actual Results	IEG Comments
	<p>Indicator 3: Liberalized air services (through 'open skies' policy reform) leads to more diversified regional air connections</p> <p>Baseline (2013): Zero participation in regional aviation zones/ agreements</p> <p>Target (2018): Adoption of a Common Aviation Area (CAA) Agreement with the European Union (EU)</p>	<p>and institutional oversight of the aviation industry.</p> <p>According to media reports, the Common Area agreement between Armenia and the EU was signed on November 24, 2017.</p> <p>Partially Achieved</p>	<p>services liberalized. Number of destinations served from Yerevan <i>Baseline:</i> 33 <i>Target:</i> 40 or adoption of a Common Aviation Area (CAA) agreement with the European Union.</p>
Objective 2: Increase investment in sectors with job-creating operations in rural and peri-urban areas outside of Yerevan			
	<p>Outcome 1: Expansion of tourism activities:</p> <p>Indicator 1: Average spending per tourist trip.</p> <p>Baseline (2013): \$749.50. Target (2018): US \$862.00</p>	<p>This outcome was supported by the Local Economy and Infrastructure Development project (P150327:FY16) and the Trade Promotion and Quality Infrastructure project (P146994:FY15). These projects aimed at improving infrastructure services and the institutional capacity for increased tourism contribution to the Armenian economy.</p> <p>The outcome was also supported through an analytical report outlining a strategy on how to stimulate the tourism potential of the South Corridor (P158280:FY16)</p> <p>According to the November 2017 ISR:MS for the Local Economy and Infrastructure Development project, the average spending per tourist trip did not change and was still \$749.50 by September 2017.</p> <p>Not Achieved</p>	<p>Objective 2 was introduced at PLR stage.</p>
	<p>Outcome 1: Expansion of tourism activities:</p> <p>Indicator 2: Tourism-related jobs in target regions outside of Yerevan.</p> <p>Baseline (2014): 133,700. Target (2018): 147,070 (10% increase)</p> <p>*jobs data will be sex-disaggregated.</p>	<p>According to the November 2017 ISR:MS for the Local Economy and Infrastructure Development project the number of tourism related jobs created in the target regions did not increase and was still 133,500 by September 2017.</p> <p>According to the Armenia World Travel and Tourism Council reports for 2015 and 2018, the total contribution of Travel & Tourism to employment, including jobs indirectly supported by the industry increased from 11.3% of total employment (133,500 jobs) in 2014 to 14.1% of total employment (162,000 jobs) in 2017.</p>	<p>According to the 2017 World Travel and Tourism Council Economic Impact report for Armenia (entire country), the total contribution of Travel & Tourism to employment including jobs indirectly supported by the industry was 143,500 jobs during 2016 compared to about 133,500 jobs (directly and indirectly) in 2015</p>



	CAS FY14-FY17: Focus Area I: <i>Supporting Competitiveness and Job Creation</i>	Actual Results	IEG Comments
		<p>Although IEG could not verify the share of tourism-related jobs in the target regions outside of Yerevan, there is some evidence of increase in the tourism related jobs. However, this possible improvement can't be attributed to WB support.</p> <p>Not Achieved</p>	<p>(see the 2015 World Travel and Tourism Council Economic Impact report for Armenia).</p>
	<p>Outcome 2: New large-scale investors in industry, based outside of Yerevan:</p> <p>Indicator 1: International firms making first-ever Armenia investment in manufacturing or industry, location outside of Yerevan.</p> <p>Baseline (2013): Zero. Target: Minimum of two.</p>	<p>This outcome was supported by IFC through investments in a mining company and a power generation company.</p> <p>Achieved</p>	<p>In 2017 IFC pulled out of the Amulsar gold mine project. Two formal complaints filed by NGOs and residents in 2014 over health and environment concerns were investigated by the IFC's Office of the Compliance Advisor Ombudsman's.</p>
<p>Objective.3: Improve efficiency and sustainability of irrigation and pasture-land as key inputs to rural economy</p>			
	<p>Outcome 1: More efficient irrigation network as a result of targeted investments and informed decision making:</p> <p>Indicator 1: Energy saved annually, in kilowatt-hours.</p> <p>Baseline (2013): 0. Target (2018): 20.6 million</p>	<p>This outcome received support from the Irrigation System Enhancement project (P127759:FY13) which sought to reduce the amount of energy used and to improve the irrigation conveyance efficiency in targeted irrigation schemes. The outcome was also supported by the Fourth Development Policy Operation (P160100:FY17) which supported reforms to improve the financial sustainability of the Armenian Irrigation Sector. The outcome also benefitted from a Water resources management NLTA project (P 152862: FY15) that conducted a diagnostic of water resources management, reviewed previous reforms and made recommendations. According to the September 2017 (ISR:S) of the Irrigation System Enhancement project the amount of energy saved annually in operating the irrigation system increased from zero in November 2012 to 16.59 million in August 2017.</p> <p>Mostly Achieved</p>	<p>Objective 1.3 was introduced at PLR stage.</p> <p>At PLR stage, the specification of this outcome was modified. The original CPS outcome was specified as follows, "<i>Reduced energy costs and water losses as a result of targeted investments and informed decision making.</i>" The target value for this indicator was also revised downwards from 38.9 to 20.6 million KWT/hour.</p>
	<p>Outcome 1: More efficient irrigation network as a result</p>	<p>According to the September 2017 ISR:S of project P127759, the conveyance efficiency in the targeted irrigation</p>	<p>The target value for this indicator was revised downwards</p>



	CAS FY14-FY17: Focus Area I: <i>Supporting Competitiveness and Job Creation</i>	Actual Results	IEG Comments
	<p>of targeted investments and informed decision making:</p> <p>Indicator 2: Water saved annually, in cubic-meters.</p> <p>Baseline (2013): 0 Target (2018): 20 million</p>	<p>schemes improved from zero in November 2012 to 0.71 liters/s/per 100 meters. This is the equivalent of 24 million cubic meters of water saved per year.</p> <p>Achieved</p>	<p>from 20.7 to 20 million cubic meters.</p>
	<p>Outcome 2: Improved productivity, and sustainability of land and pasture use:</p> <p>Indicator 1: Increased community revenues from lease of pastures across all 175 target communities.</p> <p>Baseline (2013): 0 Target (2018): 55%</p>	<p>This outcome was supported by the Community Agricultural Resource Management and Competitiveness (CARMAC) Project (P120028:FY11) and a related Trust Fund Grant (P144283:FY13). It was also supported by the CARMAC 2 project (P133705:FY14). The projects sought to improve productivity and sustainability of pasture/livestock livelihood systems in selected communities of Armenia and to increase the marketed production from selected livestock and high value agri-food value chains.</p> <p>According to IEG:S for the CARMAC project which supported 81 communities, the revenue from the lease of pastures increased from AMD 328,893 in 2012 to AMD 561,395 in 2016 (71% increase). According to the April 2018 ISR:S for the CARMAC 2 project which supports 100 communities, the value of this indicator increased from an 80 percent increase by July 2017 to 98 percent increase by November 2017 which is a marked improvement, exceeding the target of a 55 percent increase.</p> <p>Achieved</p>	<p>At PLR stage, the specification of this outcome was modified. The original CPS outcome was specified as follows, "<i>Improved efficiency and sustainability of land and pasture use.</i>"</p>
	<p>Outcome 2: Improved productivity, and sustainability of land and pasture use:</p> <p>Indicator 1: Improved milk productivity of livestock averaged across target herder communities.</p> <p>Baseline (2013): 0 Target (2018): 20% (cattle) and 15% (sheep) across total of 175 communities</p>	<p>According to IEG:S for the CARMAC project milk production increased from 1,428 kg/year in 2011 to 1,964 kg/year in 2016 for cattle (a 37.5% increase) while for sheep, the increase was from 66 kg to 85 kg/year (a 28.7% increase). The April 2018 ISR: S for the P133705 reports that annual milk production per dairy cattle increased from 1,420 liters to 1,612 liters (a 13.5% increase) between October 2013 and November 2017. CARMAC 2 project does not monitor milk productivity for sheep.</p>	



	CAS FY14-FY17: Focus Area I: <i>Supporting Competitiveness and Job Creation</i>	Actual Results	IEG Comments
		<p>The ISR indicates that the milk production indicator is an average for 94 communities engaged in the project. Overall, the project initially planned for 100 communities is currently engaged with 111 communities.</p> <p>Partially Met (cattle); Not Verified (sheep under CARMAC 2).</p>	
Objective 4: Improve access, quality and sustainability of key infrastructure with nationwide-scope			
	<p>Outcome 1: Increased adequacy and reliability of transmission network:</p> <p>Indicator 1: Plant and equipment failures reduced in five target* facilities.</p> <p>Baseline (2013): 25%. Target (2018): 10% * four substations reach 22% of the nation's end-users, and one has nation-wide reach</p>	<p>This outcome received support from the Electricity Supply Reliability (ESR) project (P116748:FY11) and a related additional financing project (P148102:FY15). It was also supported by the Power Transmission Improvement project (P146199:FY15) and a Power Sector Financial Recovery P4R project (P157571:FY16). The projects aimed to improve the reliability and capacity of the power transmission network and support Armenia's efforts in ensuring adequate electricity supply. The Power Transmission Improvement Project supported the rehabilitation of two power substations while the ESR project supported the rehabilitation of 3.</p> <p>According to the November 2017 ISR:MS for the ESR project, the number of plant and equipment failures per year in target substations increased from 8 in March 2014 to 10 in October 2017. The January 2018 ISR:S for Power Transmission project P146199 indicated that the number of plant and equipment failures per year in target substations was 10 in December 2014 and remained unchanged in the period up to January 2018.</p> <p>Not Achieved</p>	<p>At PLR stage, the specification of this objective was modified. The original CPS objective was specified as follows, "<i>Improved access, quality and sustainability of key infrastructures.</i>" The specification of the outcome was also modified at the PLR stage. The original specification of the outcome was as follows: "<i>Increased reliability of transmission network.</i>"</p> <p>The outcome was also supported by Economic & Sector Work that included a Power Sector Policy Note (P133834:FY15) that identified challenges and investment needs in the power sector and a Power Sector Financial Recovery Plan that included an analysis of the financial standing of the power sector in Armenia in 2016.</p>
	<p>Outcome 1: Increased adequacy and reliability of transmission network:</p> <p>Indicator 2: Increase in international private companies</p>	<p>This outcome was supported by an IFC \$140 million financing package for a hydropower utility, one of Armenia's major power generating facilities.</p>	



	CAS FY14-FY17: Focus Area I: <i>Supporting Competitiveness and Job Creation</i>	Actual Results	IEG Comments
	<p>investing in upgraded or greenfield power generation facilities, of which a minimum of 50% are exploiting renewable resources.</p> <p>Baseline (2013): 0 Target (2018): 2</p>	<p>According to the CLR, 10 potential investors have been prequalified to participate in the bidding for the development of a 55-MW solar photovoltaic plant through the Utility-Scale Solar Power Project. Given this project has not yet been approved, this progress can't be attributed to Bank's support.</p> <p>Partially Achieved</p>	
	<p>Outcome 2: Selected rural roads improved as part of a wider strategy to improve both domestic and external connectivity:</p> <p>Indicator 1: Share of rural population with access to an all-season road</p> <p>Baseline (2013): 51%. Target (2018): 66%</p>	<p>This outcome received support from the Lifeline roads improvement project (P115486:FY09) and two related additional financing projects in FY10 (P116760) and FY11 (P121287). The outcome was also supported by the Lifeline Road Network improvement project (P126782:FY13) and a related additional financing project (P150505:FY16). The projects sought to improve access of rural communities to markets and services by upgrading selected sections of the lifeline road network. According to the December 2017 ISR:MS for the Lifeline Road Network improvement project, the value of this indicator increased from 51% in November 2012 to 67.68% in October 2017.</p> <p>Achieved</p>	<p>At PLR stage, the target value for this indicator was increased from 62% to 66%.</p>
	<p>Outcome 2: Selected rural roads improved as part of a wider strategy to improve both domestic and external connectivity:</p> <p>Indicator 2: Safe travel speed increased from 20km/h to 40km/h on sizeable section of rehabilitated lifeline roads.</p> <p>Baseline (2013): 0. Target (2018): 300km</p>	<p>According to the December 2017 ISR:MS the Lifeline Road Network improvement project, 272 km of rural roads had been rehabilitated under the project by October 2017. The report notes that the average speed on lifeline roads in project areas increased from 20km/h in November 2012 to 42.99 km/h in October 2017.</p> <p>Mostly Achieved</p>	



	CAS FY14-FY17: Focus Area II: <i>Improving efficiency, equitable access, and quality of health and education services</i>	Actual Results	IEG Comments
<u>Major Outcome Measures</u>	<p>Objective 5: Improve efficiency, equitable access, and quality of health and education services</p> <p>Outcome 1: Improved quality of care in MCH and NCD:</p> <p>Indicator 1: Percentage of women aged 30-60 screened for cervical cancer at least once in last 3 years.</p> <p>Baseline (2012): 10.2% Target (2018): 50%</p>	<p>This outcome received support from the Health Systems Modernization APL (P104467: FY07) and the related additional financing project (P121728: FY11). It was also supported by the Disease Prevention and Control Project (P128442: FY13) which had two related Trust Fund grants. The Disease Prevention and Control Project sought to improve (i) Maternal and Child Health (MCH) services and the prevention, early detection, and management of selected Non-Communicable Diseases (NCD) at the Primary Health Care (PHC) level. According to the January 2018 ISR: MS of the Disease Prevention and Control Project (P128442, FY13), the value of this indicator increased from 8.5% in January 2013 to 26.8% in January 2018.</p> <p style="text-align: center;">Partially Achieved</p>	<p>At PLR stage, the specification of this objective was clarified. The original CPS objective was specified as follows, "<i>Improved efficiency and equity of health services.</i>"</p> <p>The baseline value specified for this indicator was higher (10.2% in 2012) than the baseline value for the project (8.5% in 2013). A possible explanation for this could be that the project level indicator was defined more strictly and required that the beneficiary of the screening to have received the results of the screening exercise.</p>
	<p>Outcome 1: Improved quality of care in MCH and NCD:</p> <p>Indicator 2: Rate of natal and post-natal complications.</p> <p>Baseline (2012): 86% Target (2018): 52%</p>	<p>The CLR reports that the rate of natal and post-natal complications was 49.6 percent in 2016, based on Armenia 2017 Yearbook. This information could not be verified by IEG and no project monitored this indicator.</p> <p>Maternal and neonatal mortality rates (28 per 100,000 live births and 8.6 per 1,000 live births respectively in 2013) declined to 25 (2015) and 7.4 (2016), respectively.¹² Additional information provided by the Region suggests a 9% drop in the rate of genitourinary complications and a 2% decline in the rates of anemia from a baseline of 106 cases in 2012 to 104 per 1,000 deliveries in 2016.</p> <p style="text-align: center;">Partially Achieved</p>	<p>None of the World Bank projects included this as an indicator.</p>
	<p>Outcome 2: Utilization of state guaranteed health services by poor population expanded:</p>	<p>This outcome received support from the Health Systems Modernization APL (P104467: FY07) and the related</p>	<p>The specification of this indicator was modified at PLR stage.</p>

¹² World Development Indicators.



	CAS FY14-FY17: Focus Area II: <i>Improving efficiency, equitable access, and quality of health and education services</i>	Actual Results	IEG Comments
	<p>Indicator 1: Rate of utilization of health services by bottom 40% of population (poorest two quintiles).</p> <p>Baseline (2011): 4.7% out-patient, 5.2% in-patient services. Target (2018): 6.9 % out-patient, 5.7% in-patient * utilization will be sex-disaggregated</p>	<p>additional financing project (P121728:FY11). The objective of the project was to improve the organization of the health care system in order to provide more accessible, quality and sustainable health care services to the population, in particular to the most vulnerable groups, and to better manage public health threats.</p> <p>The outcome was also supported by the DPO series which supported the extension of the coverage of the health benefits (waiver of co-payments) to the same group of households covered by the Family Benefits Program through the Law on 2014 State Budget.</p> <p>The Region provided the results of further analysis of the Integrated Living Conditions Survey (ILCS) - conducted by National Institute of Health. The analysis¹³ shows that utilization of out-patient and in-patient health services in the bottom 40 percent of the population in 2016 was 6.8 percent (target 6.9 percent) and 6.3 percent (target of 5.7 percent) respectively.</p> <p>Achieved</p>	<p>The original indicator was specified as follows: Rate of utilization of in-patient and out-patient health services by poorest quintile of population.</p> <p>None of the World Bank supported projects included this as an indicator.</p>
	<p>Outcome 3: Teaching and learning environment in high schools is enhanced:</p> <p>Indicator 1: Percentage of students obtaining a passing rate in mathematics in the unified entrance exam</p> <p>Baseline (2012): 76 % (both genders) Target (2018): 80 %</p>	<p>This outcome received support from two projects: the Education Improvement Project (P130182: FY14) and the Second Education Quality and Relevance (P107772: FY09).</p> <p>The projects sought to improve the school readiness of children entering primary education, improve physical conditions and the availability of educational resources in upper secondary schools, and support improved quality and relevance in higher education institutions in Armenia.</p> <p>The Region provided a report from National Center for Education Technology on the results of the unified exams conducted by the Assessment and Testing</p>	<p>None of the projects that supported this outcome monitor this indicator.</p>

¹³ See <http://microdata.worldbank.org/index.php/catalog/2966/study-description>



	CAS FY14-FY17: Focus Area II: <i>Improving efficiency, equitable access, and quality of health and education services</i>	Actual Results	IEG Comments
	<p>Outcome 4: Improved school readiness among those having access to newly created preschool education:</p> <p>Indicator 1: Higher Educational Development Index scores of students enrolled in new preschools (compared to control group)</p> <p>Baseline (2012): No difference Target (2018): 50% differential* <i>*scores will be sex-disaggregated</i></p>	<p>Center, the mathematics passing rate was 85.5% (for all students).</p> <p>Achieved</p> <p>According to the June 2016 IEG:MS of the Second Education Quality and Relevance project, the Early Development Index (EDI) score was 19% higher in children reached by the project compared with a control group.</p> <p>Additional evidence provided by the Region indicates that on average, EDI scores improved in treatment group by 18 percentage points between the beginning and end of an academic year as compared to a 4-percentage point improvement in the control group. Taking the control group as a reference, the average score improvement in the treatment group and control groups was 350 percent higher than in the control group, showing that the target was achieved.</p> <p>Achieved</p>	<p>Considering that this outcome referred to preschool education, the indicator should have been the Early Development Index and not the Higher Educational Development Index.</p>
Objective 6 Improve coverage and targeting of social safety net programs			
	<p>Outcome 1: Further improvement of targeting and coverage of social assistance programs:</p> <p>Indicator 1: Improved accuracy of targeting formula for Family Benefit Program (FBP), increasing proportion of beneficiary families that are poor:</p> <p>Baseline (2012): 73% Target (2018): 85%</p>	<p>This outcome received support from the Social Investment Fund 3 project (P094225:FY07) and three related additional financing projects (P115743:FY09), (P118158:FY10), and (P128740:FY12).</p> <p>The outcome was also supported by the Social Protection Administration II project (P146318:FY14) which sought to improve social protection service delivery and to strengthen analytical and monitoring and evaluation functions of the agencies delivering social protection benefits and services.</p> <p>The outcome was also supported by the First (P127754:FY14), Second (P143040:FY15), Third (P153234:FY16) and Fourth (P160100:FY17) DPOs which supported the passing of a Government Decree to improve the targeting accuracy and coverage of the Family Benefits</p>	<p>At PLR stage, the specification of this objective was clarified. The original CPS objective was specified as follows, "<i>Improved coverage and targeting of FBP and efficiency of social services delivery.</i>"</p> <p>The specification of this indicator was modified at the PLR stage. The original indicator was specified as follows: "<i>Improvement of means tested formula for enhanced targeting accuracy of FBP (i.e. proportion of</i></p>



	CAS FY14-FY17: Focus Area II: <i>Improving efficiency, equitable access, and quality of health and education services</i>	Actual Results	IEG Comments
		<p>Program through improvements in the targeting formula. According to the 2016 Integrated Living Conditions Survey results, 73 percent of the FBP beneficiaries belonged to the bottom two quintiles compared to 74.2 percent in 2015.</p>	beneficiary families that are poor)
	<p>Outcome 1: Further improvement of targeting and coverage of social assistance programs:</p> <p>Indicator 2: Improved coverage of poor households by the FBP:</p> <p>Baseline (2012): 21% Target (2018): 27% * disaggregated to women-headed households (increases from 27% to 30%) and men-headed (from 18% to 22%)</p>	<p>According to the 2016 Integrated Living Conditions Survey (ILCS) results, the coverage of the poorest quintile was lower in 2016 (35.3 percent compared to 38.9 in 2015). The ILCS report also noted that only one out of 4 poor (defined as those below the upper poverty line) are covered by the FBP.</p> <p>According to data from the National Statistics Service¹⁴, the coverage of the poor by the FBP had improved from 21 percent in 2012 to 22.3 percent in 2016 (target 27 percent).</p>	
		Partially Achieved	
	CAS FY14-FY17: Cross-cutting area: <i>Improving Governance and Anti-corruption measures in Public Services</i>	Actual Results	IEG Comments
	<p>Objective 7: Improve the framework for fighting corruption in public services</p> <p>Outcome 1: Institutional framework for fight against corruption and conflict of interest improved:</p> <p>Indicator 1: Global Competitiveness Indicators (GCI) on Favoritism in decisions of government officials (EU27):</p> <p>Baseline (2012): 2.99 Target (2018): 3.5</p>	<p>This outcome was supported by the Public Sector Modernization Projects II (P117384:FY10) and III (P149913:FY16). The projects sought to enhance the performance of public sector management for better service delivery by: (i) strengthening institutional capacity in policy formulation; (ii) maximizing the efficiency of human resources; and (iii) developing information systems for internal work flow and external communication. As reported in its PAD, the PSMP II initiated efforts to enhance the integrity of public servants by establishing a system to track conflict of interest in public decision-making and the</p>	

¹⁴ See <http://www.armstat.am/en/?nid=82&id=1988> chapter 9, section 5; and http://www.armstat.am/file/article/poverty_2012e_4.pdf, chapter 10 – table 10.6 reports the coverage of the non-poor, extreme poor and the poor.



CAS FY14-FY17: Cross-cutting area: <i>Improving Governance and Anti-corruption measures in Public Services</i>	Actual Results	IEG Comments
	<p>two projects are fully aligned with the Governments' Public Administration Reform (PAR) Strategy pillar related to conflict of interest and ethics (see PAD for the second project).</p> <p>The Bank also provided NLTA support (P157003:FY17) to the Ministry of Justice and the Anti-Corruption Council to help with the implementation of Armenia's anti-corruption strategy (see the Summary of Activities which reports on the preparation of workshops for anti-corruption focal points and on the preparation of a comparative note and options paper on Ethics Regulations).</p> <p>According to the latest Global Competitiveness Report (2017-2018), Armenia's score for the "Favoritism in decisions of government officials" indicator was 3.4.</p> <p>Mostly Achieved</p>	
<p>Outcome 1: Institutional framework for fight against corruption and conflict of interest improved:</p> <p>Indicator 2: Formal Government of Armenia engagement in Extractive Industries Transparency Initiative</p> <p>Baseline (2013): No commitment Target (2018): Active EITI candidate</p>	<p>The outcome was supported by a NLTA project (P155900:FY16) funded from the Extractive Industries Technical Advisory Facility (EI-TAF). A report produced under this NLTA project was meant to be used as a key document for the development of a national EITI work plan, as Armenia was preparing to submit their candidacy application for the EITI Process.</p> <p>According to the EITI website, the EITI Board approved Armenia's EITI candidature application at a Board meeting in March 2017.</p> <p>Achieved</p>	<p>This indicator was introduced at the PLR stage.</p>
Objective 8: Strengthen the management of public resources		
<p>Outcome 1: Significant strengthening of internal control systems in government:</p> <p>Indicator 1: External Scrutiny and Audit (PEFA PI-26):</p> <p>Baseline (2013): D+</p>	<p>This outcome was supported by the Strengthening Public Financial Management in Armenia grant (P131687:FY12, see the latest available ISR:S (March 2015) which did not report progress at this time in relation to the improved transparency and accountability of public expenditure measured by the improved quality of annual financial</p>	<p>The indicators for this outcome were based on a PEFA score however, no PEFA assessment has been undertaken since 2013. The CPS baseline is incorrect and misleading. Armenia</p>



CAS FY14-FY17: Cross-cutting area: <i>Improving Governance and Anti-corruption measures in Public Services</i>	Actual Results	IEG Comments
Target (2018): B	<p>reports" indicator that was not available and to be known when the next PEFA would be conducted) which aimed to improve the management of public expenditures in Armenia.</p> <p>The outcome was also supported by a Capacity Building for Public Sector Auditing grant (P125933:FY12) whose objective was to support the adoption of a capacity building strategy and action plan by the Armenian public sector external audit and the development and use of standardized audit methods. The last available ISR: S (December 2014) reported that the methodology for financial and compliance audit in line with ISSAI has been developed and dedicated staff selected and trained on its application.</p> <p>According to the CLR, sufficient progress has been made with financial and compliance methodology and commensurate staff training for the PI-26 to have reached a B rating in 2018. However, the CLR provides little evidence that the standards for a B rating have been met.</p> <p>In addition, the Region reports that the central government entities representing at least 75 percent of total expenditures are audited annually, at least covering revenue and expenditure; and that reports issued by the Chamber of Control/Chamber of Audit generally adhere to ISSAI methodology. IEG could not verify this assessment. Besides the uncertainty on actual progress made by the country on strengthening external scrutiny and audit, there is no clear indication of the Bank contribution to these possible results.</p> <p>Not Verified</p>	PEFA PI-26 was D+ in 2008 (not in 2013) and had improved to C+ by 2013. PEFA 2013 results may not have been available when the CPS was written, and the 2016 PLR did not reflect them.
Outcome 1: Significant strengthening of internal control systems in government:	According to the CLR, GoA's internal audit met the B score for PI-21 because a functional Internal audit system in the public sector; the establishment of a clear legal and regulatory base, and the development of a manual based on	The baseline is incorrect. Armenia PEFA PI-21 was D+ in 2008 (not in 2013) and had improved to C by 2013. According to



CAS FY14-FY17: Cross-cutting area: <i>Improving Governance and Anti-corruption measures in Public Services</i>	Actual Results	IEG Comments
<p>Indicator 2: Effectiveness of internal audit (PEFA PI-21):</p> <p>Baseline (2013): D+ Target (2018): B</p>	<p>international standards and Public Expenditure Management Peer Assisted Learning (PEMPAL) network. Despite these achievements, the CLR provides little evidence that the standards for a B rating have been met.</p> <p>The Region reports that several milestones for a B+ rating have been achieved (internal audit is operating for the majority of central government entities, and meet professional standards; as of January 1, 2018, the IA has been implemented and operational in 54 state government bodies and 179 local self-governing bodies, covering the largest public sector organizations in Armenia including all the ministries; reports are issued regularly for most audited entities and distributed to the audited entity, the ministry of finance and the SAI; and prompt and comprehensive action is taken by many managers, as shown by the fact that the IA provided 6,721 recommendations during audits in 2017, out of which 5,593 have been already implemented).</p> <p>IEG could not verify this assessment. Besides the uncertainty on actual progress made by the country in improving the effectiveness of internal audit, there is no clear indication of the Bank contribution to these possible results over the CPS period.</p> <p>Not Verified</p>	<p>PEFA 2013, Internal audit performance had improved since 2008 due to the establishment of an operationally independent modern systems-oriented IA function in 2012 and an improvement in follow-up by management. PEFA 2013 results may not have been available when the CPS was written but this could have been corrected in the 2016 PLR.</p>
<p>Outcome 2: Increased efficiency and coherence of tax administration:</p> <p>Indicator 1: Strategic and transparent framework for taxation outlined in new comprehensive Tax Code</p> <p>Baseline (2012): None Target (2018): Tax Code adopted and implemented</p>	<p>This outcome received support from the Tax Administration Modernization Project (P111942:FY13) and from the Improving Fiscal Management and Tax Compliance Capacity grant (P120122: FY10). These projects sought to modernize Armenia's tax administration to (i) increase voluntary tax compliance, (ii) reduce tax evasion, (iii) reduce compliance costs; and (iv) increase administrative efficiency.</p> <p>The outcome was also supported by the Second DPO 1-4 series (FY14-17) which sought to: (i) increasing tax revenue through reducing tax exemptions to reduce distortions and create more fiscal space</p>	<p>At PLR stage, the specification of this outcome was modified. The original outcome was specified as follows, "<i>Increased efficiency of tax administration.</i>"</p>



	CAS FY14-FY17: Cross-cutting area: <i>Improving Governance and Anti-corruption measures in Public Services</i>	Actual Results	IEG Comments
		<p>for growth enhancing expenditures and (ii) to strengthen the business environment by reducing the burden of inspections on businesses. The Bank provided TA in support of reforms to the Armenia Tax Code (P156871:FY16).</p> <p>According to the Program document of the DPO4, the Unified Tax Code including measures to enhance revenues, improve the efficiency, transparency and equity of the tax system and strengthen tax administration was approved by the Parliament in October 2016 and was expected to come into full effect from January 2018.</p> <p>The Region reports that the new Tax Code of Armenia is fully effective from 1 January 2018 and that some provisions entered in effect earlier than this date. While this additional evidence indicates that the target has been met, paving the way for increased efficiency and coherence of the tax administration, actual outcomes will depend on sustained implementation.</p> <p>On the other hand, the Region reports that with the support of the ongoing Bank-financed Tax Administration Modernization Project (TAMP), the efficiency of the tax administration has already improved between 2012 and 2017 in many areas: (i) taxation as a percentage of GDP grew from 17.6 percent to 20.8 percent; (ii) corporate income tax productivity has increased from 0.01 in 2011 to 0.13 in 2016; (iii) the ratio of collected revenue to SRC's operation cost increased from 74 in 2011 to 101.8 in 2017; (iv) the share of e-returns increased from 20 percent in 2011 to the current 96.61 percent, a level which is on par with many OECD countries; and (v) the time spent preparing and paying taxes decreased according to Doing Business from 500 hours in 2011 to 313 in 2017.</p> <p>Mostly Achieved</p>	



Annex Table 2: Armenia IBRD/IDA Planned and Actual Lending, FY14-FY17

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Proposed Amount	Approved IBRD/IDA Amount	Outcome Rating
Project Planned Under CPS/PLR 2012-2016					CPS	PLR		
P127754	Development Policy Operation 1 New Series	2014	2014	2014	72.0	72.0	72.0	
P130182	Education Improvement Project	2014	2014	2020	30.0	30.0	30.0	LIR:S
P133705	Second Community Agriculture Resource Management and Competitiveness Project	2014	2014	2020	30.0	30.0	32.7	LIR:S
P146318	Social Protection Administration II	2014	2014	2019	21.5	21.5	21.2	LIR:MS
P143040	Second Development Policy Operation	2015	2015	2015	50.0	75.0	75.0	
P146199	Power Transmission Improvement Project	2015	2015	2020	50.0	52.0	52.0	LIR:S
P146994	Trade Promotion and Quality Infrastructure	2015	2015	2020	40.0	40.0	50.0	LIR:MU
P148102	Electricity Supply Reliability (Additional Financing)	2015	2015	2019	30.0	50.0	40.0	
P148836	Social Investment and Local Development	2015	2015	2020	30.0	30.0	30.0	LIR:MS
P149913	Public Sector Modernization Project III	2016	2016	2021	20.0	20.0	21.0	LIR:MS
P150327	Local Economy and Infrastructure Develop	2016	2016	2021	55.0	55.0	55.0	LIR:MS
P150505	Lifeline Road Network Improvement (Additional Financing)	2016	2016	2020	40.0	40.0	40.0	
P153234	Third Development Policy Operation	2016	2016	2015	50.0	50.0	50.0	
P157571	Power Sector Financial Recovery Program	2016	2016	2022		32.0	30.0	LIR:S
P160100	Armenia Fourth Development Policy Financing	2017	2017	2018	60.0	50.0	50.0	
P131812	Long Term Export Finance							
Total Planned					578.5	647.5	648.9	
Unplanned Projects during the CPS and PLR Period								
On-going Projects during the CPS and PLR Period		Proposed FY	Approval FY	Closing FY	Proposed Amount	Proposed Amount	Approved IDA Amount	Outcome Rating
P094225	Social Investment Fund III		2007	2015			25.0	IEG:S
P104467	Health System Modernization Project (Adaptable Program Loan II)		2007	2016			22.0	IEG:S
P107772	Second Education Quality and Relevance (Adaptable Program Loan II)		2009	2016			25.0	IEG:MS
P115486	Lifeline Roads Improvement Project		2009	2014			25.0	IEG:S
P115743	Social Investment Fund III (Additional Financing I)		2009	2015			8.0	
P116760	Lifeline Roads Improvement Project (Additional Financing)		2010	2014			36.6	



P117384	Public Sector Modernization Project II		2010	2017		9.0	LIR:MS
P118158	Social Investment Fund III (Additional Financing II)		2010	2015		7.0	
P115647	E-Society & Innovation		2011	2016		24.0	IEG:S
P116748	Electricity Supply Reliability		2011	2019		39.0	LIR:MS
P120028	Community Agricultural Resource Management and Competitiveness Project		2011	2017		16.0	IEG:S
P121287	Lifeline Roads Improvement Project (Additional Financing II)		2011	2014		40.0	
P121728	Health System Modernization Project (Additional Financing)		2011	2016		19.0	
P126722	Municipal Water Project		2012	2015		15.0	IEG:MS
P128740	Social Investment Fund III (Additional Financing III)		2012	2015		11.0	
P111942	Tax Administration Modernization Project		2013	2018		12.0	LIR:S
P126782	Lifeline Road Network Improvement Project		2013	2020		45.0	LIR:MS
P127759	Irrigation System Enhancement Project		2013	2019		30.0	LIR:S
P128442	Disease Prevention & Control Project		2013	2020		35.0	LIR:MS
Total On-going						443.6	

Source: Armenia CPS and PLR, WB Business Intelligence Table 2b.1, 2a.4 and 2a.7 as of 01/23/18

*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory.

Annex Table 3: Advisory Services and Analytics Work for Armenia, FY14-FY17

Proj ID	Economic and Sector Work	Fiscal year	Output Type	Global Practice
P129140	Armenia MTDS Baseline	FY14	Sector or Thematic Study/Note	Macroeconomics, Trade and Investment
P133400	Programmatic Fiscal Work FY13	FY14	Public Expenditure Review (PER)	Macroeconomics, Trade and Investment
P143277	Armenia: PEFA Assessment (Sub-National)	FY14	Public Expenditure Financial Accountability	Governance
P131912	Armenia Policy Notes	FY15	Sector or Thematic Study/Note	Macroeconomics, Trade and Investment
P133834	Armenia Power Sector Policy Note	FY15	Sector or Thematic Study/Note	Energy & Extractives
P147949	Drivers of Dynamism	FY15	Country Economic Memorandum (CEM)	Macroeconomics, Trade and Investment
P151948	Armenia Public Expenditure Review	FY16	Public Expenditure Review (PER)	Macroeconomics, Trade and Investment
P154276	Power Sector Financial Recovery Plan	FY16	Sector or Thematic Study/Note	Energy & Extractives
P157524	Agriculture Commercialization Study	FY16	Sector or Thematic Study/Note	Agriculture
P158280	Armenia Corridor Tourism Development	FY16	Sector or Thematic Study/Note	Social, Urban, Rural and Resilience Global Practice
P157930	Gender Dynamics in STEM Fields	FY17	Sector or Thematic Study/Note	Education



Proj ID	Technical Assistance	Fiscal year	Output Type	Global Practice
P130211	Armenia #10189 Strengthen. Consumer Protec	FY14	Technical Assistance	Finance, Competitiveness and Innovation
P132705	Update of Water Resource Management Note	FY14	Technical Assistance	Water
P132911	Armenia Environment Sector Note	FY14	Technical Assistance	Environment & Natural Resources
P144563	Armenia#10313 Supporting Capital Market	FY14	Technical Assistance	Finance, Competitiveness and Innovation
P145602	Social Accountability Rural Services	FY14	Technical Assistance	Social, Urban, Rural and Resilience Global Practice
P146995	Corp Insolvency and Restructuring TA	FY14	Technical Assistance	Trade & Competitiveness
P144751	Armenia#10232Enhancing Corp. Fin. Report	FY15	Technical Assistance	Governance
P144817	Armenia #10316Regulatory and Supervisory	FY15	Technical Assistance	Finance, Competitiveness and Innovation
P145530	Export Development Strategy Implement	FY15	Technical Assistance	Trade & Competitiveness
P146342	Financial Strengthening of Operating Wat	FY15	Technical Assistance	Water
P150676	ECU Challenges and Opportunities	FY15	Technical Assistance	Macroeconomics, Trade and Investment
P152162	Armenia Mining Support Development	FY15	Technical Assistance	Energy & Extractives
P152862	Water Resources Management	FY15	Technical Assistance	Water
P151048	SILK ROAD TA Armenia	FY16	Technical Assistance	Social Protection & Labor
P152237	Armenia Pensions	FY16	Technical Assistance	Social Protection & Labor
P155900	Armenia EI-TAF Mining Sector Support	FY16	Technical Assistance	Energy & Extractives
P156871	Armenia Tax Code and Policy Reform TA	FY16	Technical Assistance	Macroeconomics, Trade and Investment
P157037	Armenia Trade Comp. and EEU Integration	FY16	Technical Assistance	Trade & Competitiveness
P158284	Armenia Regional Development Analysis	FY16	Technical Assistance	Social, Urban, Rural and Resilience Global Practice
P145315	Vulnerability Assessment	FY17	Technical Assistance	Social, Urban, Rural and Resilience Global Practice
P153192	Disaster Resilient Urban Planning	FY17	Technical Assistance	Social, Urban, Rural and Resilience Global Practice
P156026	Armenia Financial Advisory TA	FY17	Technical Assistance	Finance, Competitiveness and Innovation
P157003	Implementing Anti-Corruption Strategy	FY17	Technical Assistance	Governance
P158679	Armenia Second Generation Water PPPs	FY17	Technical Assistance	Water
P158945	Environmental Governance in Mining	FY17	Technical Assistance	Environment & Natural Resources
P159613	Armenia Universal Health Coverage	FY17	Technical Assistance	Health, Nutrition & Population

Source: WB Business Intelligence 01/23/18



Annex Table 4: Armenia Grants and Trust Funds Active in FY14-17

Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount	Outcome Rating
P116680	Energy Efficiency Project	TF 12163	2012	2016	1.8	IEG: HS
P120122	Improving Fiscal Management and Tax Compliance Capacity in the Government of Armenia	TF 96224	2010	2014	0.5	LIR: MS
P120210	Implementation of IPSAS Strategy 2	TF 96227	2010	2014	0.5	LIR: S
P120238	Strengthening National Assembly's Capacity for Policy Formulation and Public Dialogue	TF 96229	2011	2014	0.5	LIR: MU
P125791	JSDF Strengthening the Livelihoods and Voice of Vulnerable and Disabled Persons in Armenia	TF 13894	2013	2017	2.7	LIR: MS
P125933	Capacity Building for Public Sector Auditing	TF 11901	2013	2016	0.5	LIR: S
P125966	Ministry of Finance Capacity Building	TF 11907	2013	2016	0.3	LIR: S
P128442	Disease Prevention and Control Project	TF 13103	2013	2016	0.4	LIR: MS
P128442	Disease Prevention and Control Project	TF 14138	2014	2019	1.8	LIR: MS
P128769	Strengthening Capacity of Regulatory Reform Unit of the Armenian Government	TF 11972	2013	2016	0.5	LIR: S
P129168	Food Safety Capacity Building IDF	TF 12224	2013	2016	0.5	LIR: MS
P130182	Education Improvement Project	TF 14539	2013	2015	0.4	LIR: S
P131003	Pension Public Awareness and Literacy IDF Grant Project	TF 13654	2013	2016	0.4	LIR: S
P131036	Electronic Processing and One-Stop Shop for Construction Permits	TF 12782	2013	2016	0.5	LIR: MS
P131126	Strengthening Training Capacity of the School of Advocates	TF 13656	2013	2016	0.5	LIR: S
P131631	Reports to Conventions - UNCCD - Armenia	TF 13195	2013	2015	0.2	
P131687	Strengthening Public Financial Management in Armenia	TF 12529	2013	2016	0.9	LIR: S
P132948	Armenia Pilot Agricultural Census implementation support	TF 13918	2013	2015	0.2	
P133439	Environmental Governance, Inclusion & Transparency in Mining Sector IDF Grant Project	TF 13658	2013	2016	0.4	
P133705	Second Community Agriculture Resource Management and Competitiveness Project	TF 15171	2014	2015	0.5	LIR: S
P133831	Preparation of SREP Investment Plan	TF 14245	2013	2014	0.3	LIR: S
P143212	Revision of the NBSAP preparation of the 5th National Report to the CBD	TF 13529	2013	2016	0.2	
P144283	Community Agricultural Resource Management and Competitiveness Project	TF 13724	2013	2017	0.9	
P146199	Electricity Transmission Network Improvement Project	TF 16604	2014	2015	0.7	LIR: S



Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount	Outcome Rating
P147919	EDB Irrigation pr preparation	TF 17003	2014	2015	0.5	
P149463	PROMOTING YOUTH INCLUSION IN ARMENIA	TF 16980	2015	2016	1.0	LIR: MU
P150327	Local Economy and Infrastructure Development Project	TF A1063	2016	2017	0.7	LIR: MS
P152039	Geothermal Exploratory Drilling Project	TF 18000	2015	2015	0.3	LIR: MS
P152039	Geothermal Exploratory Drilling Project	TF A0544	2015	2019	8.6	LIR: MS
P155630	Implementation of the National Strategy Program for Strengthening of the National Statistical System	TF A4543	2017	2021	3.0	LIR: MS
P155662	Utility Scale Solar Power Project	TF A0418	2015	2018	2.0	
P156378	Social Investment and Local Development Trust Fund	TF A3230	2017	2019	2.4	LIR: S
P158899	Eurasian Development Bank Mastara Reservoir Preparation	TF A2706	2017	2018	0.7	
P159054	Strengthening Armenia's Integrated Living Conditions Survey	TF A3852	2017	2019	0.2	LIR: S
P158359	MOA Ag Policy Capacity Building	TF A4449	2017	2019	1.8	LIR: S
	Total				37.0	

Source: Client Connection as of 01/23/18

** IEG Validates RETF that are 5M and above

Annex Table 5: IEG Project Ratings for Armenia, FY14-17

Exit FY	Proj ID	Project name	Total Evaluated (\$M)	IEG Outcome	IEG Risk to DO
2014	P115486	LIFELINE ROADS IMPROVEMENT PROJECT	101.5	SATISFACTORY	SIGNIFICANT
2015	P094225	SIF 3	51.9	SATISFACTORY	MODERATE
2015	P126722	MUNICIPAL WATER	14.9	MODERATELY SATISFACTORY	HIGH
2016	P104467	HLTH SYS MOD (APL2)	41.9	SATISFACTORY	LOW
2016	P107772	EDUC QUAL & REL (APL#2)	24.8	MODERATELY SATISFACTORY	MODERATE
2016	P115647	E-SOCIETY & INNOVATION	23.3	SATISFACTORY	LOW
2016	P116680	ENERGY EFFICIENCY	0.0	HIGHLY SATISFACTORY	MODERATE
2017	P120028	Community Agri. Res. Managem. and Comp.	15.3	SATISFACTORY	MODERATE
		Total	273.6		

Source: Business Intelligence Key IEG Ratings as of 01/23/18



Annex Table 6: IEG Project Ratings for Armenia and Comparators, FY14-17

Region	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	RDO % Moderate or Lower Sat (\$)	RDO % Moderate or Lower Sat (No)
Armenia	273.6	8.0	100.0	100.0	33.6	50.0
ECA	13,280.0	117.0	93.3	79.5	64.1	51.7
World	73,143.8	792.0	85.4	74.2	52.7	43.5

Source: WB Business Intelligence as of 01/24/18

Annex Table 7: Portfolio Status for Armenia and Comparators, FY14-17

Fiscal year	2014	2015	2016	2017	Ave FY14-17
Armenia					
# Proj	25.0	24.0	20.0	22.0	22.8
# Proj At Risk		1.0	3.0	1.0	1.7
% Proj At Risk		4.2	15.0	4.5	7.9
Net Comm Amt	435.1	548.4	649.6	629.3	565.6
Comm At Risk		79.0	152.2	50.0	93.7
% Commit at Risk		14.4	23.4	7.9	15.3
ECA					
# Proj	280.0	290.0	279.0	292.0	285.3
# Proj At Risk	37.0	36.0	47.0	37.0	39.3
% Proj At Risk	13.2	12.4	16.8	12.7	13.8
Net Comm Amt	26,927.9	26,544.5	27,637.3	25,808.5	26,729.5
Comm At Risk	2,635.4	3,533.8	4,350.5	5,466.2	3,996.5
% Commit at Risk	9.8	13.3	15.7	21.2	15.0
World					
# Proj	2,048.0	2,022.0	1,975.0	2,072.0	2,029.3
# Proj At Risk	412.0	444.0	422.0	449.0	431.8
% Proj At Risk	20.1	22.0	21.4	21.7	21.3
Net Comm Amt	192,610.1	201,045.2	220,331.5	224,458.9	209,611.4
Comm At Risk	40,933.5	45,987.7	44,244.9	52,549.1	45,928.8
% Commit at Risk	21.3	22.9	20.1	23.4	21.9

Source: WB BI as of 01/24/18



Annex Table 8: Disbursement Ratio for Armenia, FY14-17

Fiscal Year	2014	2015	2016	2017	Overall Result
Armenia					
Disbursement Ratio (%)	26.0	20.0	19.5	15.2	19.4
Inv Disb in FY	59.1	48.7	71.4	61.9	241.1
Inv Tot Undisb Begin FY	227.5	243.0	366.1	407.8	1,244.4
ECA					
Disbursement Ratio (%)	22.7	23.6	17.3	20.6	20.9
Inv Disb in FY	2,585.5	2,633.7	2,218.3	2,781.0	10,218.4
Inv Tot Undisb Begin FY	11,375.8	11,173.5	12,787.9	13,506.4	48,843.6
World					
Disbursement Ratio (%)	20.2	21.2	18.8	19.8	20.0
Inv Disb in FY	19,414.2	20,317.9	19,401.1	20,572.0	79,705.2
Inv Tot Undisb Begin FY	96,254.9	95,816.0	103,447.2	103,732.6	399,250.6

* Calculated as IBRD/IDA Disbursements in FY / Opening Undisbursed Amount at FY. Restricted to Lending Instrument Type = Investment.

Business Intelligence disbursement ratio table as of 01/24/18

Annex Table 9: Net Disbursement and Charges for Armenia, FY14-17 (\$ millions)

Period	Disb. Amt.	Repay Amt.	Net Amt.	Charges	Fees	Net Transfer
FY14	131.2	19.7	111.4	2.9	9.7	98.8
FY15	124.0	22.9	101.1	10.1	9.8	81.2
FY16	121.7	27.7	94.0	19.2	9.6	65.2
FY17	137.0	34.1	102.9	24.6	9.6	68.8
Report Total	513.8	104.5	409.4	56.8	38.6	314.0

World Bank Client Connection 01/24/18



Annex Table 10: Total Net Disbursements of Official Development Assistance

Development Partner	2013	2014	2015	2016
Australia	..	..	..	0.03
Austria	2.86	5.22	3.77	1.7
Belgium	0.21	0.24	0.23	0.21
Canada	0.09	..	0.04	0.1
Czech Republic	1.13	0.39	0.29	0.41
Denmark	2.86	0.59	0.76	1.82
Finland	0.11	0.29	0.24	0.22
France	11.11	17.19	20.5	81.86
Germany	28.47	31.84	8.98	27.59
Greece	0.35	0.36	0.3	0.05
Hungary	0.01	0.01	0.07	0.02
Italy	0.11	0.38	0.31	0.59
Japan	1.33	1.69	-5.31	-5.67
Korea	..	0.03	0.16	0.15
Netherlands	0.18	0.21	0.07	0.22
Norway	2.95	1.56	0.56	0.27
Poland	0.57	0.33	0.35	0.17
Portugal	..	..	..	0
Slovak Republic	0.07	0.02	0.05	0.01
Spain	0.07	0.03	0	0.52
Sweden	0.08	0.97	1.21	0.6
Switzerland	4.16	5.44	6.48	7.28
United Kingdom	1.29	1.6	1.81	0.59
United States	40.48	30.48	24.98	25.08
DAC Countries, Total	98.49	98.87	65.85	143.82
Estonia	0.12	0.18	0.04	..
Israel	0.06	0.04	0.01	0.17
Kuwait	..	..	..	0.97
Latvia	0.01	0.02	0.01	..
Lithuania	0.01	0.01	0.01	0.04
Romania	0.12	0.11	0.21	0.15
Russia	5.26	6.86	37.37	40.33
Turkey	0.26	0.75	..	0.02
United Arab Emirates	0.89	0.61	0.67	0.23
Non-DAC Countries, Total	6.73	8.58	38.32	41.91
EU Institutions	69.67	79.23	148.96	111.31
International Monetary Fund, Total	40.43			
IMF (Concessional Trust Funds)	40.43	..	..	..



Development Partner	2013	2014	2015	2016
Regional Development Banks, Total	21.67	79.62	88.72	24.04
Asian Development Bank, Total	21.67	79.62	88.72	24.04
AsDB Special Funds	21.67	79.62	88.72	24.04
United Nations, Total	3.22	2.78	5.64	8.94
Food and Agriculture Organisation [FAO]	0.71	..	..	..
International Atomic Energy Agency [IAEA]	..	..	0.14	0.13
IFAD	..	..	2.86	6.26
International Labour Organisation [ILO]	0.10	0.21	0.18	0.11
UNAIDS	0.06	..	..	..
UNDP	0.94	0.72	0.48	0.61
UNFPA	0.60	0.49	0.47	0.50
UNICEF	0.69	1.16	1.14	0.98
World Health Organisation [WHO]	0.13	0.20	0.37	0.35
World Bank Group, Total	56.15	17.10	15.28	17.88
World Bank, Total	56.15	17.10	15.28	17.88
International Bank for Reconstruction and Development [IBRD]	..	..	..	..
International Development Association [IDA]	56.15	17.10	15.28	17.88
Other Multilateral, Total	19.08	15.41	17.82	31.33
Global Alliance for Vaccines and Immunization [GAVI]	0.80	0.68	0.37	1.11
Global Environment Facility [GEF]	2.68	4.15	3.84	4.20
Global Fund	7.65	5.11	2.82	4.82
Nordic Development Fund [NDF]	..	..	..	..
OPEC Fund for International Development [OFID]	4.66	2.10	7.88	18.22
OSCE	3.29	3.37	2.91	2.97
Multilateral Agencies, Total	210.2	194.2	276.4	193.5
Development Partners, Total	315.4	301.6	380.6	379.2

Source: OECD Stat database as of 02/14/2018
2017 data not yet available.



Annex Table 11: Economic and Social indicators for Armenia, 2013-2016

Series Name					Armenia	ECA	World
	2014	2015	2016	2017	Average 2014-2017		
Growth and Inflation							
GDP growth (annual %)	3.6	3.2	0.2	7.5	3.6	2.3	2.8
GDP per capita growth (annual %)	3.1	2.8	(0.1)	7.3	3.3	1.8	1.6
GNI per capita, PPP (current international \$)	8,790.0	9,090.0	9,020.0	10,030.0	9,232.5	19,819.5	16,012.3
GNI per capita, Atlas method (current \$)	4,150.0	4,030.0	3,770.0	3,990.0	3,985.0	8,898.6	10,563.1
Inflation, consumer prices (annual %)	3.0	3.7	(1.4)	1.0	1.6	2.4	1.8
Composition of GDP (%)							
Agriculture, value added (% of GDP)	18.1	17.2	16.4	14.9	16.7	5.0	3.6
Industry, value added (% of GDP)	25.3	25.7	25.6	25.3	25.5	29.0	25.9
Services, value added (% of GDP)	47.4	48.2	49.9	51.3	49.2	54.7	64.5
Gross fixed capital formation (% of GDP)	20.0	20.6	17.4	17.3	18.8	22.7	23.4
External Accounts							
Exports of goods and services (% of GDP)	28.6	29.7	33.1	37.3	32.2	33.6	31.2
Imports of goods and services (% of GDP)	47.0	41.9	42.8	49.5	45.3	31.9	30.2
Current account balance (% of GDP)	(7.6)	(2.6)	(2.3)	(2.4)	-3.7	.	.
External debt stocks (% of GNI)	70.4	81.2	92.4	85.9	82.5	.	.
Total debt service (% of GNI)	11.8	14.2	13.8	12.1	13.0	8.2	.
Total reserves in months of imports	2.9	4.4	5.1	4.4	4.2	8.5	13.0
Fiscal Accounts ^{1/}							
General government revenue (% of GDP)	22.0	21.5	21.4	21.2	21.5		
General government total expenditure (% of GDP)	24.0	26.3	27.0	26.0	25.8		
General government net lending/borrowing (% of GDP)	(1.9)	(4.8)	(5.6)	(4.8)	-4.3		
General government gross debt (% of GDP)	39.3	44.1	51.9	53.5	47.2		
Health							
Life expectancy at birth, total (years)	74.3	74.4	74.6	..	74.4	73.0	71.9
Immunization, DPT (% of children ages 12-23 months)	93.0	94.0	94.0	94.0	93.8	91.6	85.1



Series Name					Armenia	ECA	World
	2014	2015	2016	2017	Average 2014-2017		
People using safely managed sanitation services (% of pop)	..	..	..	..		.	38.9
People using at least basic drinking water services (% of pop)	98.5	98.9	..	..	98.7	96.1	88.3
Mortality rate, infant (per 1,000 live births)	13.1	12.5	11.9	11.3	12.2	12.0	30.8
Education							
School enrollment, preprimary (% gross)	49.5	51.9	51.5	52.0	51.3	59.1	48.1
School enrollment, primary (% gross)	96.7	94.8	94.3	94.2	95.0	100.7	103.5
School enrollment, secondary (% gross)	85.9	86.0	..	..	86.0	99.0	76.5
School enrollment, tertiary (% gross)	47.1	46.5	51.1	52.2	49.2	65.9	36.9
Pop							
population, total	2,906,220.0	2,916,950.0	2,924,816.0	2,930,450.0	2,919,609.0	454,127,420.5	7,400,849,944.0
population growth (annual %)	0.4	0.4	0.3	0.2	0.3	0.5	1.2
Urban population (% of total)	63.1	63.1	63.1	63.1	63.1	65.9	54.1
Rural population (% of total pop)	36.9	36.9	36.9	36.9	36.9	34.1	45.9
Poverty							
Poverty headcount ratio at \$1.90 a day (2011 PPP) (% of pop)	2.3	1.9	1.8	..	2.0	.	10.0
Poverty headcount ratio at national poverty lines (% of pop)	30.0	29.8	29.4	..	29.7	.	.
Rural poverty headcount ratio at national poverty lines (% of rural pop)	29.9	..	..	..	29.9	.	.
Urban poverty headcount ratio at national poverty lines (% of urban pop)	30.0	..	..	..	30.0	.	.
GINI index (World Bank estimate)	31.5	32.4	32.5	..	32.1	.	.

Source: WB World Development Indicators DataBank 1/30/19

*International Monetary Fund, World Economic Outlook Database, October 2018

Annex Table 12: List of IFC Investments in Armenia
Investments Committed in FY14-FY17

Project ID	Cmt FY	Project Status	Primary Sector Name	Project Size	Original Loan	Original Equity	Original CMT	Loan Cancel	Equity Cancel	Net Loan	Net Equity	Net Comm
37652	2017	Active	Electric Power	122,900	47,900	-	47,900	-	-	47,900	-	47,900
38349	2017	Active	Finance & Insurance	300	300	-	300	-	-	300	-	300
33450	2016	Active	Electric Power	200,700	9,009	4,504	13,513	-	-	13,513	4,504	13,513
37196	2016	Active	Finance & Insurance	20,000	20,000	-	20,000	-	-	20,000	-	20,000
37259	2016	Active	Finance & Insurance	60,000	50,000	-	50,000	-	-	50,000	-	50,000
37540	2016	Active	Finance & Insurance	300	300	-	300	-	-	300	-	300
37697	2016	Active	Finance & Insurance	200	200	-	200	-	-	200	-	200
33520	2015	Closed	Finance & Insurance	5,000	5,000	-	5,000	-	-	5,000	-	5,000
35418	2015	Active	Finance & Insurance	3,000	3,000	-	3,000	-	-	3,000	-	3,000
35794	2015	Active	Finance & Insurance	300	300	-	300	-	-	300	-	300
36555	2015	Closed	Oil, Gas and Mining	1,288	-	1,288	1,288	-	207	1,288	1,081	1,081
32970	2014	Active	Construction and Real Estate	38,200	9,000	-	9,000	-	-	9,000	-	9,000
33031	2014	Active	Finance & Insurance	5,000	5,000	-	5,000	-	-	5,000	-	5,000
33518	2014	Closed	Finance & Insurance	15,000	15,000	-	15,000	15,000	-	-	-	-
33521	2014	Closed	Finance & Insurance	5,000	5,000	-	5,000	-	-	5,000	-	5,000
33625	2014	Closed	Finance & Insurance	4,000	4,000	-	4,000	-	-	4,000	-	4,000
34881	2014	Closed	Oil, Gas and Mining	1,628	-	1,628	1,628	-	-	1,628	1,628	1,628
35024	2014	Closed	Finance & Insurance	2,500	2,500	-	2,500	2,500	-	-	-	-
			Sub-Total	485,316	176,509	7,421	183,929	17,500	207	166,429	7,214	166,223

Investments Committed pre-FY14 but active during FY14-17

Project ID	CMT FY	Project Status	Primary Sector Name	Project Size	Original Loan	Original Equity	Original CMT	Loan Cancel	Equity Cancel	Net Loan	Net Equity	Net Comm
32799	2013	Active	Food & Beverages	5,500	2,500	-	2,500	-	-	2,500	-	2,500
33720	2013	Active	Finance & Insurance	1,000	1,000	-	1,000	-	-	1,000	-	1,000
31610	2012	Active	Finance & Insurance	10,000	10,000	-	10,000	5,000	-	5,000	-	5,000
27497	2011	Active	Finance & Insurance	-	3,006	-	3,006	-	-	3,006	-	3,006
30028	2011	Active	Finance & Insurance	2,000	2,000	-	2,000	913	-	1,087	-	1,087
30857	2011	Active	Finance & Insurance	2,000	2,000	-	2,000	-	-	2,000	-	2,000
28241	2010	Active	Finance & Insurance	25,400	111,159	-	111,159	-	-	111,159	-	111,159
28826	2010	Active	Construction and Real Estate	5,400	5,400	-	5,400	-	-	5,400	-	5,400
24572	2006	Active	Finance & Insurance	4,400	3,000	1,300	4,300	-	-	4,300	1,300	4,300
			Sub-Total	55,700	140,066	1,300	141,366	5,913	-	135,453	1,300	135,453
			TOTAL	541,016	316,574	8,721	325,295	23,413	207	301,882	8,514	301,675

Source: IFC-MIS Extract as of 8/30/2017



Annex Table 13: List of IFC Advisory Services in Armenia
Advisory Services Approved in FY14-17

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds, \$
601359	ECA Gender Project	2018	2021	ACTIVE	TAC	520,000
601945	Armenia IPP/Agribusiness Project	2018	2021	ACTIVE	TAC	1,350,000
596467	Armenia Oncology	2015	2015	TERMINATED	CAS	55,775
600244	Armenia Investment Climate II	2015	2018	ACTIVE	TAC	1,508,451
Sub-Total						3,434,226

Advisory Services Approved pre-FY14 but active during FY14-17

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds, \$
585987	Armenia Food Safety Project	2012	2015	CLOSED	MAS	427,794
588147	Armenia Investment Climate Reform Project	2012	2015	CLOSED	TAC	1,606,702
568727	Armenia Sustainable Energy Finance	2010	2016	CLOSED	FIG	1,052,342
Sub-Total						3,086,838
TOTAL						6,521,064

Source: IFC AS Data as of 10-17-17

Annex Table 14: IFC net commitment activity in Armenia, FY14 - FY17

		2014	2015	2016	2017	Total
Financial Markets	Commercial Banking	5,000,000	-	67,009,027	-	72,009,027
	Housing Finance	-	(5,000,000)	-	-	(5,000,000)
	Microfinance	6,500,000	3,300,000	(2,200,000)	300,000	7,900,000
	TCF (Trade and Commodity)	20,000,000	(10,000,000)	-	-	10,000,000
Trade Finance (TF)	GTFP	6,904,986	13,636,247	7,700,000	4,332,464	32,573,696
Tourism, Retail, Construction & Real Estates (TRP)	Commercial Property	9,000,000	-	-	-	9,000,000
Oil, Gas & Mining	Mining	1,543,175	1,300,248	(9,157)	(781)	2,833,485
Infrastructure	Electric Power	-	-	13,513,290	47,900,000	61,413,290
Total		48,948,161	3,236,494	86,013,160	52,531,683	190,729,498

Source: IFC MIS as of 2/1/18

Annex Table 15: List of Active MIGA Activities in Armenia, 2014-2017

ID	Contract Enterprise	FY	Project Status	Sector	Investor	Max Gross Issuance
13661	Vorotan Hydro Cascade	2017	Proposed	Power	To be determined	90.0
9983	ProCredit Group Central Bank Mandatory Reserves Coverage	2011	Active	Banking	Germany	3.7
Total						93.7

Source: MIGA 1-31/18