Armenia Investment Climate Reform Project

Investment Climate Advisory Services of the World Bank Group launched the Armenia Investment Climate Reform Project in September 2011. The three-year project is being implemented by IFC, a member of the World Bank Group, in partnership with the Ministry of Finance of Austria and the Ministry of Foreign Affairs of the Netherlands.

The project supports IFC’s strategy in Europe and Central Asia to help governments improve the investment climate, especially for small and medium businesses.

WHY IS THE INVESTMENT CLIMATE REFORM IMPORTANT FOR ARMENIA?

The IFC-World Bank Doing Business 2012 report identified Armenia as one of 12 economies in the world that improved most in the ease of doing business in 2010/11. However, there are a number of areas where Armenia needs further improvement, such as inspections, paying taxes, and trading across borders. Improvements in these areas can stimulate growth in the private sector, especially for the small and medium enterprises that drive Armenia’s economy.

Regulatory improvements are also needed in Armenia’s agribusiness sector, one of the country’s top employers. Regulatory reform in agribusiness would help increase Armenia’s competitiveness and create jobs.

About the Investment Climate Advisory Services of the World Bank Group
Investment Climate Advisory Services of the World Bank Group helps governments implement reforms to improve their business environment and encourage and retain investment, thereby fostering competitive markets, growth, and job creation.

Donor Partners
The Armenia Investment Climate Reform Project is supported with funds from the Ministry of Finance of Austria and the Ministry of Foreign Affairs of the Netherlands.

For more information about the project's donor partners, please visit:
The Ministry of Finance of Austria: http://english.bmf.gv.at
The Ministry of Foreign Affairs of the Netherlands: www.minbuza.nl/en/home

In partnership with
Project Objectives

The Armenia Investment Climate Reform Project aims to help improve the investment climate in Armenia by reducing the time and cost of doing business, and increasing the effectiveness of regulation in four key areas:

1. Business taxation
2. Trade logistics
3. Business inspections
4. Food safety

Project Approach

The Armenia Investment Climate Reform Project builds on close government collaboration established within the framework of the Armenia Doing Business Reform - Regulatory Simplification Project (implemented by IFC from 2009-11).

The previous project helped the government to streamline start-up procedures for businesses, and to simplify the tax system and customs control procedures. IFC also helped the government to make business inspections more efficient and transparent, and to reduce the average time required to obtain a construction permit.

The Armenia Investment Climate Reform Project will further strengthen Armenia’s competitiveness by helping implement additional reforms in the following areas:

- **Taxation:** Improve reporting, filing and payment procedures; develop a specific tax regime for small and medium enterprises; and help reduce administrative burden and compliance costs, thereby improving company operations.

- **Trade logistics:** Streamline border control procedures at both customs and technical control agencies, helping facilitate trade across borders.

- **Inspections:** Consolidate inspections functions; establish risk-based planning; and streamline inspection procedures to strengthen business rights and make the business inspections process more targeted, transparent, and efficient.

- **Food safety:** Provide support to revise food safety legislation to address legal gaps; introduce a risk-based inspection system at the Food Safety Agency contributing to the increased competitiveness of local food producers.

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