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## **Economic Growth Portfolio in Brief**

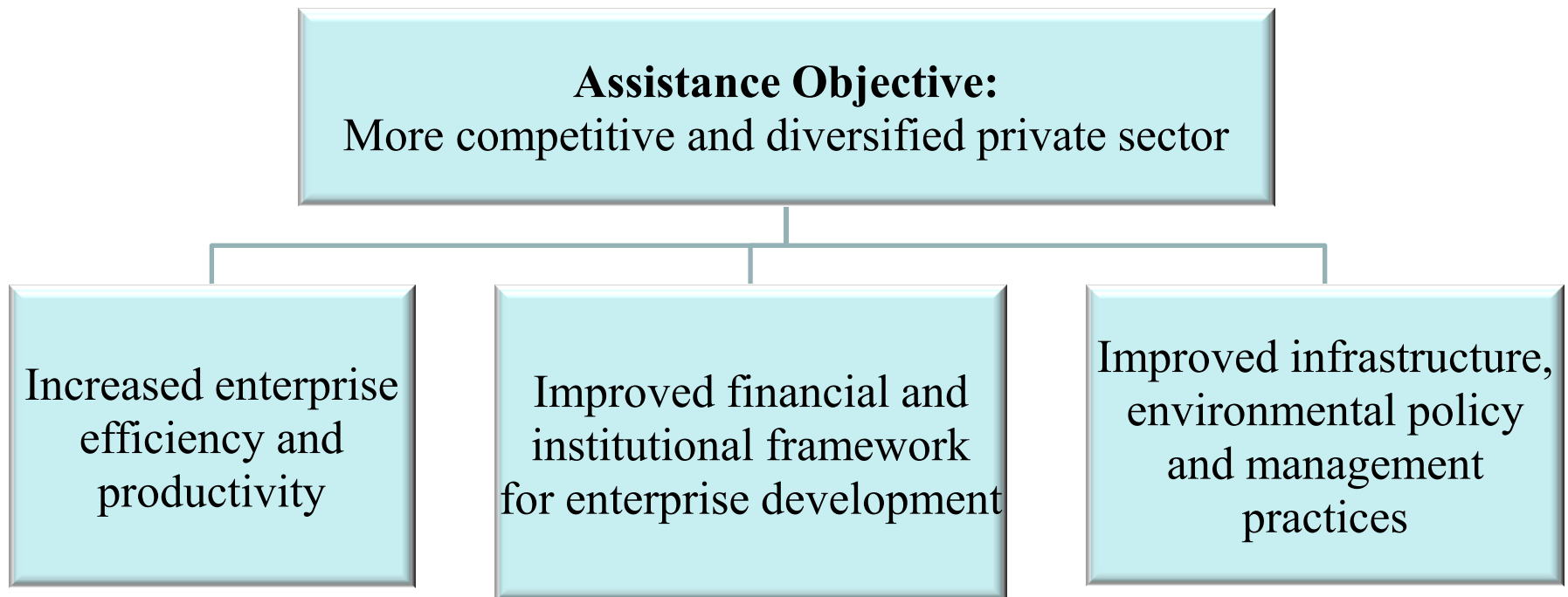
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# Challenges Facing Armenia's Economy

- Lack of diversification / weak business sophistication**
- External competitiveness and integration into global markets**
- Business access to affordable credit**
- Administrative and regulatory constraints**





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# Mission Priorities in Economic Growth Area (continued)

## Priorities

- ❖ Enterprise development
- ❖ Access to finance
- ❖ Better infrastructure & environment

## Approaches

- ❖ Improve competitiveness through innovation
- ❖ Increase diversification
- ❖ Improve policy and regulatory environment
- ❖ Develop managerial and workforce capacities
- ❖ Develop public-private partnerships



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# Active Program Portfolio

Project Name	Program Area	Budget	Years	Expected Results
Enterprise Development and Market Competitiveness Project (EDMC)	Private Sector competitiveness and Financial Sector	\$ 20 million	2011-2015	<ul style="list-style-type: none"> <li>Enhanced competitiveness of target VCs</li> <li>Increased export, employment and innovation</li> <li>Increasing productivity of enterprises;</li> <li>Workforce with more relevant skills</li> <li>Improved business enabling environment.</li> </ul>
Innovation Promotion in Armenia (Annual Program Statement)	Private Sector competitiveness	\$1.0-1.5 million grants' program	2011-2014	<ul style="list-style-type: none"> <li>Establishment of public-private partnerships (PPPs) for innovative approaches</li> <li>Product, service and enterprise creation, development and management in any sector of the economy</li> </ul>
Partners for Financial Stability (Buy-in to the EGAT Program)	Trade & Investment	\$ 1million buy-in program	2011-2013	<ul style="list-style-type: none"> <li>Address financial constraints to enterprise</li> <li>Improved competitiveness through regulatory reforms</li> <li>financial product innovation and capacity building for Banks.</li> </ul>
Tax Reform Project – phase II	Macroeconomic Foundation for Growth	TBD	TBD	<ul style="list-style-type: none"> <li>Improved and streamlined tax administration</li> <li>Improved revenue policy formulation (strategic planning, revenue analysis and tax policy review and simplification and the appeals procedures carried out by the Ministry of Finance).</li> </ul>



- ❖ **GMP Certification for pharmaceutical companies**
- ❖ **International Certification Courses**
- ❖ **Digitec Business Forum**
- ❖ **Microsoft Innovation Center (MIC)**
- ❖ **Establishment of Sun Microsystems laboratories at Armenian universities**
- ❖ **Collection and Recycling Plastic Refuse Private-Public Partnership (CRPR)**
- ❖ **Armenia Financial Sector Stability Pilots**
- ❖ **Tax and fiscal reform**