

**EXECUTIVE  
BOARD  
MEETING**

EBS/20/178  
Correction 2

December 15, 2020

To: Members of the Executive Board

From: The Secretary

Subject: **Republic of Armenia—Third Review Under the Stand-By Arrangement and  
Modification of Performance Criteria**

Board Action: The attached correction to EBS/20/178 (11/30/20) has been provided  
by the staff:

**Typographical Errors** **Page 64**

Questions: Mr. Porter, MCD (ext. 37316)  
Mr. El Said, MCD (ext. 35918)



Compile and estimate all the existing and future contingent liabilities associated with implemented and approved PPPs	MoF	November 2020	Reset to January 2021	Improve fiscal risk management
Approve and publish a decree setting a cap to the total contingent liabilities contracted from PPPs.	MoF	December 2020	Reset to February 2021	Improve fiscal risk management
Build a database of projects covering both externally and domestically funded projects that provides information on projects throughout their lifecycle.	MoE and MoF	December 2020		Enhance project selection and monitoring
Revise the turnover tax legislation by reducing the VAT registration threshold to AMD 60.00 million and adjusting tax rates to equalize the tax-burden across the turnover and general taxation regimes, effective from January 1, 2022.	MoF	May 2021		Enhance revenue mobilization and fairness
Undertake a public expenditure review, with a view to identifying options for efficiency gains and improving the social protection system.	MoF	May 2021		Enhance revenue mobilization and fairness
Conduct the review of securities' taxation to ensure appropriate taxation in this area and identify possible distortions and impediments to capital market development.	MoF	June 2021		Promote capital market development and ensure fair taxation
Include in the 2022 budget documentation a comprehensive list with all ongoing public investment projects and new public investment projects starting in the budget year, including PPPs, providing comprehensive information on lifetime fiscal implications, including project by project information for all externally financed projects and large domestically financed projects (at least <del>580-50</del> percent of investment volume from domestic financing).	MoF	October 2021		Enhance project selection and monitoring
Monetary and Financial				
Prepare a time-bound action plan and communication strategy to boost foreign currency liquidity buffers as described in the 2018 FSAP recommendations (paras 19, 21 and 32) through a combination of liquidity tools	Central Bank of Armenia (CBA)	September 2019	Met	Enhancing macro prudential measures