



Trade Promotion and Quality Infrastructure (P146994)

EUROPE AND CENTRAL ASIA | Armenia | Finance, Competitiveness and Innovation Global Practice | IBRD/IDA | Investment Project Financing | FY 2015 | Seq No: 12 | ARCHIVED on 02-Dec-2020 | ISR44205 |

Implementing Agencies: Ministry of Finance, Ministry of High-Tech Industry, Office of the Prime Minister

Key Dates

Key Project Dates

Bank Approval Date: 02-Jul-2014

Effectiveness Date: 14-Jan-2015

Planned Mid Term Review Date: 28-Feb-2019

Actual Mid-Term Review Date: 20-Mar-2019

Original Closing Date: 30-Jun-2020

Revised Closing Date: 31-May-2022

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project Development Objective (PDO) is to strengthen the government's capacity to provide export promotion, investment attraction and quality management services to firms.

Has the Project Development Objective been changed since Board Approval of the Project Objective?

No

Components Table

Name

Component 1: Improving the Effectiveness of the Trade promotion and Quality system:(Cost \$10.00 M)

Component 2: Promoting Investment and Exports:(Cost \$35.90 M)

Component 3: Modernizing the National Quality Infrastructure:(Cost \$3.00 M)

Component 4: Project Management and Monitoring and Evaluation:(Cost \$1.00 M)

Overall Ratings

Name	Previous Rating	Current Rating
Progress towards achievement of PDO	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Implementation Progress (IP)	<input type="checkbox"/> Moderately Satisfactory	<input type="checkbox"/> Moderately Satisfactory
Overall Risk Rating	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

Implementation Status and Key Decisions

As of November 2020, the overall project disbursement of the World Bank loan is US\$13.28 million (26.6 per cent disbursement rate), and the overall project implementation is rated Moderately Satisfactory. In February 2020, the PDO rating was upgraded to Moderately Satisfactory after the project underwent a significant restructuring to streamline activities under slow disbursing components and extend the closing date by nearly 23 months. As a result, a few secondary and non-performing activities were dropped, and available funds were reallocated to the well-performing priority activities. The project remains highly relevant for the country and provides a timely contribution to Armenia's COVID-19 response through PPP, Innovation Matching Grants and Exporter Development Grants Programs.

Component 1: 12 out of 14 Disbursement-Linked Indicators (DLIs) have been achieved as scheduled. The disbursement rate under the component reached 97 per cent.

Component 2. Promoting Investment and Export demonstrates progress in all four sub-components:



- Subcomponent 2.1: The government engaged the Armenian National Interests Fund (ANIF) to support the implementation of the subcomponent. A consulting contract to design and implement a comprehensive communications outreach to foreign investors for ANIF was signed in September 2020. ANIF is also progressing well in establishing representative offices in major foreign markets. It has opened and operates offices in Moscow and Paris.
- Subcomponent 2.2: The Investment Support Center announced a call for proposals under the Exporter Development Grants Program in January 2020. Overall, 111 applications (requesting about US\$6 million in total) were received and are being evaluated. The counterpart expects to support 5-7 large subprojects utilizing the full budget allocated for this type of grants. The Enterprise Incubator Foundation has received 88 applications under the Innovation Matching Grants Program, of which 23 were shortlisted for pitching, and seven were selected for grant funding and are currently in the contract signing stage with advance payments expected in December 2020. The EIF launched the second round of calls for proposals in August 2020 with a focus on the COVID-19 response, and the received applications are undergoing initial screening.
- Subcomponent 2.3: The Project Steering Committee approved three out of five PPPs (the Engineering City, the Supercomputer Center, and the Cybersecurity Incubator and R&D Lab). For the Engineering City PPP, there has been significant progress in completing the design stage with the master plan approved in July 2020 and the EC infrastructure and Accelerator designs to be approved in December 2020. In parallel, the EIF concluded a contract in May 2020 to procure the Engineering City lab equipment. The contract for procurement of equipment for the Supercomputer Center is expected to be signed in December 2020. In addition, approval of the Advancing High-Tech Education in Gyumri Branch of the National Polytechnic University of Armenia PPP is expected in December 2020.
- Subcomponent 2.4: The Terms of Reference for the General Partner and a Concept of the National Venture Fund (NVF) have been developed and approved. The counterpart is finalizing the full package to announce a call for proposals for potential fund managers. The selection process is planned to be carried out between January-July 2021, with the Fund to be established in September-August 2021.

Component 3:

- The National Institute of Metrology (NIM) signed in February 2020 the contract on Thermal Measurements laboratory equipment, and the equipment was delivered in August 2020.
- The tender for Mass and Related Measurements laboratory equipment was completed, and the contract will be signed in November 2020 with the advance payment planned for December 2020.
- The tender for the design of NIM building refurbishment was completed, and the contract was signed in September 2020. The design works are planned to be completed in December 2020, with the tender for refurbishment works planned to be announced in February-March 2021.
- The contract on the development of the e-accreditation process automation system was signed in June 2020, with the activity to be completed in August-September 2021.
- NIM also started preparing for obtaining international accreditation (DLI 10) in collaboration with the German National Metrology Institute (PTB) and plans to complete the process in August 2021 for both laboratories. CEPA funding (EUR 4 mln) was secured to finance additional four laboratories to complement the metrology infrastructure funded by TPQI.

Component 4: The PMU is staffed with key personnel and fully operational. The hiring of an engineer, assistant, and M&E expert is completed. The PMU has also been strengthened with an Environmental and Social Specialist.

Risks

Systematic Operations Risk-rating Tool

Risk Category	Rating at Approval	Previous Rating	Current Rating
Political and Governance	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Macroeconomic	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Sector Strategies and Policies	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Technical Design of Project or Program	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Institutional Capacity for Implementation and Sustainability	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Fiduciary	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Environment and Social	--	<input type="checkbox"/> Low	<input type="checkbox"/> Moderate



Stakeholders	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate
Other	--	<input type="checkbox"/> Substantial	<input type="checkbox"/> Substantial
Overall	--	<input type="checkbox"/> Moderate	<input type="checkbox"/> Moderate

Results

PDO Indicators by Objectives / Outcomes

Strengthen the government's capacity to provide export promotion, investment attraction and quality				
► 1. Number of exporters accessing new markets and/or introducing new products (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	18.00	18.00	50.00
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
► 2. Cluster development and research and skills development PPPs established (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	3.00	3.00	6.00
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
► 3. Successful investments facilitated by IEPI (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	4.00	4.00	10.00
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
► 4 (DLI 10). Industrial Laboratories of the National Institute of Metrology (NIM) accredited by an accreditation organization that is a signatory to an MLA/MRA from ILAC or IAF. (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	2.00
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
► 5 (DLI 14). National Accreditation Body (NAB) becomes a signatory to a Multilateral agreement (MLA) or Mutual Recognition agreement (MRA) with an international accreditation organization (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not a member	Not a member	Not a member	NAB achieves MLA or MRA



Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
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Intermediate Results Indicators by Components

Component 1: Improving the Effectiveness of the Trade promotion and Quality System				
▶ 1.1. Strengthening investment and export promotion services (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	See Sub Indicators	See Sub Indicators	See Sub Indicators	See Sub indicators
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020
□ DLI 1. Decree on Investment Reform Map issued (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not in existence	ACHIEVED: Decree issued by the Government on October 8, 2015	ACHIEVED: Decree issued by the Government on October 8, 2015	Decree on Investment Reform Map issued
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-Jul-2015
□ DLI 2. Merger of ADA and IDF into IEPI completed (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not in existence	ACHIEVED	ACHIEVED	Merger of ADA and IDF
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2015
□ DLI 3. Government decree issued to establish the NTO (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not in existence	ACHIEVED	ACHIEVED	Decree issued to establish the NTO
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2015
□ DLI 4. IEPI staffed with organizational structure in line with international best practice (monitored throughout the project period) (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not in existence	IN PROGRESS: Actions that were anticipated to be completed by June 2018 were achieved. Agreed review timing for 2018 allocation is September 2019.	IN PROGRESS: Actions that were anticipated to be completed by June 2018 were achieved. Agreed review timing for 2018 allocation is September 2019.	IEPI staffed with organizational structure in line with international best practice



Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020
□DLI 5. Adequate budget for IEPI included in State budget (monitored throughout the project period) (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not in existence	IN PROGRESS: Actions that were anticipated to be completed by June 2018 were achieved. Agreed review timing for 2018 allocation is September 2019.	IN PROGRESS: Actions that were anticipated to be completed by June 2018 were achieved. Agreed review timing for 2018 allocation is September 2019.	IEPI budget for agency included in State budget
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020
□DLI 6. Monitoring and Evaluation of IEPI conducted (monitored throughout the project period) (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not in existence	IN PROGRESS: Actions that were anticipated to be completed by June 2018 were achieved. Agreed review timing for 2018 allocation is September 2019.	IN PROGRESS: Actions that were anticipated to be completed by June 2018 were achieved. Agreed review timing for 2018 allocation is September 2019.	Monitoring and Evaluation of IEPI conducted
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020

Component 2: Promoting Investment and Exports

► 2.1. Number of investment inquiries that lead to site visits generated by foreign representatives (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	108.00	108.00	128.00
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022

► 2.2. Number of export related leads generated by foreign representative offices (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	262.00	262.00	342.00
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022

► 2.3. Number of beneficiaries of the Exporter Development Grants (Number, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	50.00



Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
<input type="checkbox"/> Female beneficiaries of the Exporter Development Grants (Percentage, Custom Supplement)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	30.00
▶ Number of public-private partnership concepts approved (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	3.00	3.00	6.00
Date	14-Jan-2015	31-Mar-2020	24-Nov-2020	31-May-2022
▶ Establishment of the National Venture Fund (Yes/No, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	No	No	No	Yes
Date	14-Jan-2015	31-Mar-2020	24-Nov-2020	31-May-2022
▶ Investments made by the National Venture Fund (Amount(USD), Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	10,000,000.00
Date	14-Jan-2015	31-Mar-2020	24-Nov-2020	31-May-2022
▶ The beneficiaries who reported that the approaches discussed in the framework of the discussions held during the Project reflect their opinion (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	75.00
Date	30-Jun-2015	31-Mar-2020	24-Nov-2020	31-May-2022

Component 3: Modernizing the National Quality Infrastructure

▶ 1.2. Strengthening national metrology services (Text, Custom)

	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	See Sub Indicators	See Sub indicators	See Sub indicators	See Sub indicators
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020



<input type="checkbox"/> DLI 7. NIM staffed with organizational structure in line with international best practice (monitored throughout the project period) (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not adequately staffed	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	NIM staffed with organizational structure in line with international best practice
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020
<input type="checkbox"/> DLI 8. Adequate budget for NIM included in State budget (monitored throughout the project period) (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not adequately budgeted	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	Adequate budget for NIM included in State budget
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020
<input type="checkbox"/> DLI 9. Monitoring and Evaluation of NIM conducted (monitored throughout the project period) (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not in existence	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	Monitoring and Evaluation of NIM conducted
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020
<input type="checkbox"/> DLI 10. International Accreditation attained for at least 2 metrology laboratories (Please see Indicator 4 in the Project Development Objective Indicators) (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	International Accreditation for at least 2 metrology laboratories not attained	0.00	0.00	International Accreditation attained for at least 2 metrology laboratories
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
<input checked="" type="checkbox"/> 1.3. Strengthening accreditation services (Text, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	See Sub Indicators	See Sub Indicators	See Sub Indicators	See Sub indicators
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020
<input type="checkbox"/> DLI 11. NAB staffed with organizational structure in line with international best practice (monitored throughout the project period) (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target



Value	Not adequately staffed	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	NAB staffed with organizational structure in line with international best practice
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020
□DLI 12. Adequate budget for NAB included in State budget (monitored throughout the project period) (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not adequately budgeted	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	Adequate budget for NAB included in State budget
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020
□DLI 13. Monitoring and Evaluation of NAB conducted (monitored throughout the project period) (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not in existence	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	IN PROGRESS: Actions that were anticipated to be completed by July 2019 were achieved.	Monitoring and Evaluation of NAB conducted
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	30-Jun-2020
□DLI 14. NAB attains MLA or MRA in testing laboratories (Text, Custom Breakdown)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	Not a member	Not a member	Not a member	NAB achieves MLA or MRA
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
▶ 3.1. Number of Industrial metrology laboratories built (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	2.00
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
▶ 3.2. Number of accreditations conducted in line with international practice issued by NAB (Number, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	10.00
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
▶ 3.3. Share of NIM technical staff trained in internationally recognized calibration methods (Percentage, Custom)				



	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	70.00
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
► 3.4. Share of NAB technical staff trained in international methodology for Accreditation (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	40.00
Date	31-Mar-2014	31-Mar-2020	24-Nov-2020	31-May-2022
► The beneficiaries who reported that the approaches discussed in the framework of the discussions held during the Project reflect their opinion (Percentage, Custom)				
	Baseline	Actual (Previous)	Actual (Current)	End Target
Value	0.00	0.00	0.00	75.00
Date	14-Jan-2015	31-Mar-2020	24-Nov-2020	31-May-2022

Performance-Based Conditions

Data on Financial Performance

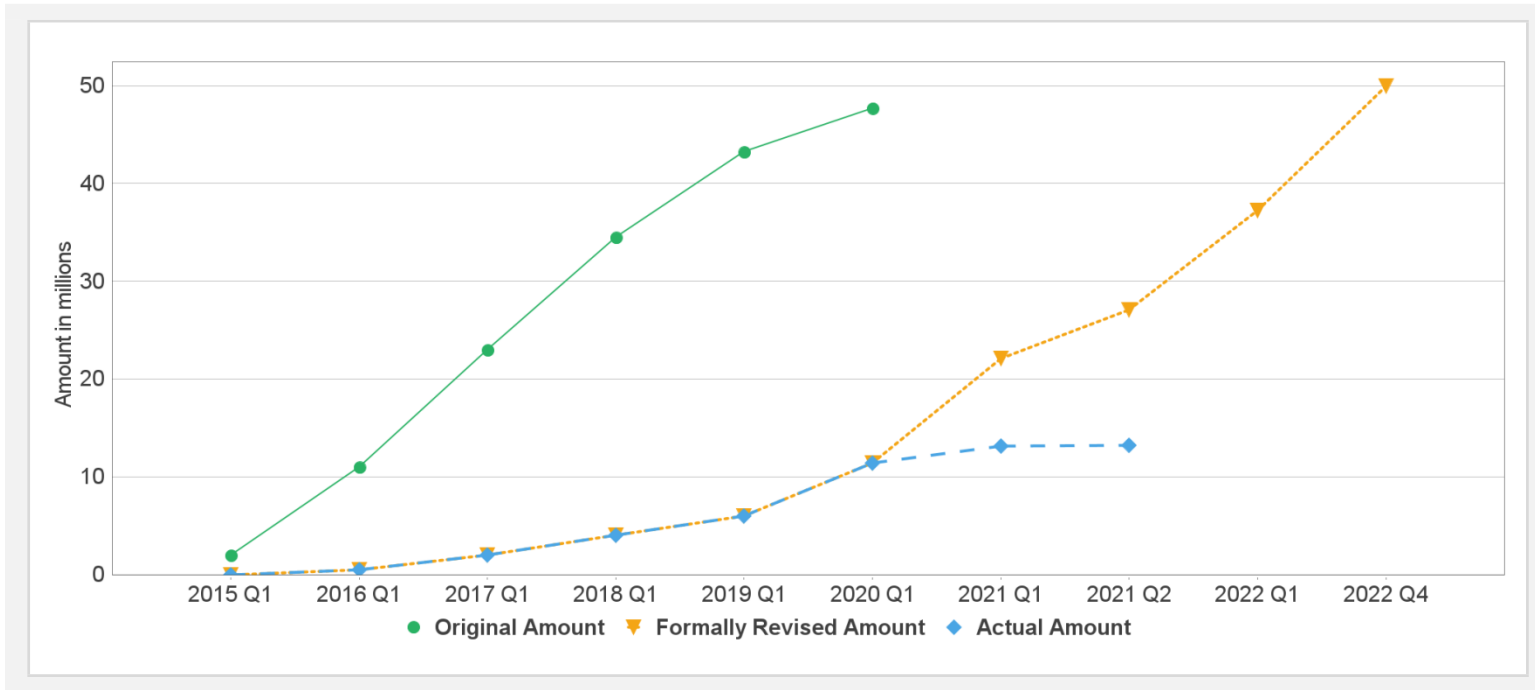
Disbursements (by loan)

Project	Loan/Credit/TF	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P146994	IBRD-83900	Effective	USD	50.00	50.00	0.00	13.37	36.63	27%

Key Dates (by loan)

Project	Loan/Credit/TF	Status	Approval Date	Signing Date	Effectiveness Date	Orig. Closing Date	Rev. Closing Date
P146994	IBRD-83900	Effective	02-Jul-2014	06-Aug-2014	14-Jan-2015	30-Jun-2020	31-May-2022

Cumulative Disbursements



PBC Disbursement

PBC ID	PBC Type	Description	Coc	PBC Amount	Achievement Status	Disbursed amount in Coc	Disbursement % for PBC
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Restructuring History

Level 2 Approved on 20-May-2019 ,Level 2 Approved on 01-Jan-2020

Related Project(s)

There are no related projects.