

Amendment No. 1 to the Administration Agreement between the European Commission on behalf of the European Union and the International Bank for Reconstruction and Development concerning the Part II Europe 2020 Programmatic Single-Donor Trust Fund
Trust Fund (No. TF073433)
(EC Contract No. ENI/2021/425-292)

1. Reference is made to the Administration Agreement between the European Commission on behalf of the European Union (the "Donor") and the International Bank for Reconstruction and Development (the "Bank", and together with the Donor, the "Parties" and each a "Party") regarding the *Part II Europe 2020 Programmatic Single-Donor Trust Fund*, No. TF073433 (the "Trust Fund"), effective as of June 18, 2021 (the "Administration Agreement").

2. The Parties agree to amend the Administration Agreement as follows:

(a) Paragraph 5.1. of Annex 2 "Standard Provisions" of the Administration Agreement shall be modified to read as follows:

"5.1. It is expected that the funds deposited in the Trust Fund will be fully disbursed by the Bank by August 31, 2024 (the "End Disbursement date"). The Bank shall only disburse funds deposited in the Trust Fund for the purposes of this Administration Agreement (other than returns to Donor) after such date to the extent such date is changed in accordance with amendments made to the Administration Agreement(s) of the Donor. Following the End Disbursement Date, the Bank shall ~~return any remaining balance of the Trust Fund to the Donor in the Holding Currency in the manner~~ specified in its respective Administration Agreement on a pro rata basis with regard to the total funds deposited in the Trust Fund by such Donor relative to the total funds deposited in the Trust Fund by the Donor, all calculated as Holding Currency amounts."

(b) Activity (b) of Component 1 in Paragraph 2.1 of Annex 1 "Part II Europe 2020 Programmatic Single-Donor Trust Fund Description" of the Administration Agreement shall be deleted in its entirety and is replaced with the following:

"(b) Debt Management

The Bank will support Government of Armenia (GoA) to update the 2013 Debt Management Performance Assessment (DeMPA)¹, including a review of the relevant regulatory and operational arrangements of government debt management and efficiency of domestic debt markets (such as government bonds and T-bills). The Bank will support the development by GoA of procedures and regulations to support an efficient operational framework for government debt. The Bank will furthermore provide training to relevant GoA officials on selected debt management topics."

(c) Activity (d) of Component 1 in Paragraph 2.1 of Annex 1 "Part II Europe 2020 Programmatic Single-Donor Trust Fund Description" of the Administration Agreement shall be deleted in its entirety and is replaced with the following:

"(d) Public-Private Partnerships (PPP)

The Bank will provide analytical support to GoA in its efforts to address evolving needs of PPP legal and regulatory framework and in the development and strengthening of its PPP institutional

¹ <https://openknowledge.worldbank.org/handle/10986/20417>.

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capacity, with a view to: (i) increase the participation of the private sector in infrastructure investments; and (ii) enable GoA to develop and operationalize a robust pipeline of PPP projects in line with best international practice.

Specifically, the Bank will provide technical assistance to GoA: (i) in the development of a PPP strategy (ii) in the drafting of project development and communication plans for select projects in the PPP pipeline; (ii) by reviewing PPP tools, methodologies, manuals and guidelines (including criteria for PPP project identification, screening and prioritization); and (iii) in strengthening GoA's capacity with regard to PPP project contractual risk allocation, structuring, financing and implementation.

Finally, the Bank will provide training on assessing and the monitoring of fiscal risks (including direct and contingent liabilities arising from PPP transactions) to relevant GoA officials, including from the Ministry of Finance, Ministry of Economy and relevant line ministries that work on PPP transactions across several sectors."

(d) The indicative timeline of deliverables in Paragraph 2.1 of Annex 1 "Part II Europe 2020 Programmatic Single-Donor Trust Fund Description" to the Administration Agreement is modified to read as follows:

"Component 1 – Economic Governance

DELIVERABLES	TIMELINE
Public Investment Management	
(i) Report on the review of the existing draft PIM Manual and Handbook on the PIM cycle (pre-implementation, implementation, and post-implementation stages); (ii) Proposed final version of PIM Manual and Handbook	Dec 2021
Report on the Train-the Trainer and on the job training program and pilot implementation in selected line ministries for large projects.	Jun 2022
Debt Management	
DeMPA assessment, including assessment of public debt reporting practices;	December 2022
Public Procurement Law	
Report; proposed methodology on "Strategic Procurement"	Mar 2023
Report; proposed methodology on "Product Rate Analysis" module	Mar 2023
Public-Private Partnerships	
Report on compliance of investment projects with the PIM and PPP policy framework in terms of appraising performance effectiveness	April 2024
Capacity building workshops on PPP project and pipeline development	Four workshops between Nov 2021 to Oct 2023
Capacity building training on assessing and monitoring fiscal risks resulting from PPP transactions	Four workshops between Feb 2022 to June 2023

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Component 2 – Business Environment

DELIVERABLES	TIMELINE
Regulatory Impact Assessment (RIA) framework	
Inception report and Workshop	November 2021
Report on strengthening guidelines for impact assessments, including domain-specific approaches such as social impact, environmental impact, competition impact, public finance impacts.	April 2022
Recommendations for the strengthening of public consultation practices in rulemaking.	October 2022
Report on the mapping and review of existing (public) databases with relevance for RIA, and recommendations for their integration in RIA processes.	October 2022
Report on the review and identification of key performance indicators for Armenia's RIA system to stimulate implementation of RIA	Dec 2022
Development and piloting of a standard curriculum and introductory training course on RIA.	April 2023
Up to eight training events/workshops on selected topics agreed with the GoA, including peer-learning with one selected higher-capacity country and a study tour to the selected country.	January 2022 – July 2023
Fostering contestability and competition in Armenian markets	
Proposed Guidelines to support implementation of the provisions of the amended Competition law dealing with Anticompetitive Actions of Public Bodies.	June 2022
Training/workshop relating to competition law (and Anticompetitive Actions of Public Bodies)	June 2022
Recommendations on options to implement measures to minimize granting of distortive state aid.	June 2022
Recommendations on whether further updates to legislation on state aid are required and technical input and advice on any required amendments where relevant	December 2021
Proposed Guidelines on ex ante design of state aid/optimization of the design of state aid schemes	June 2022
Training/workshop related to state aid mechanisms	June 2022
Supporting SMEs and firm-level productivity	
Firm level analysis study	June 2022
Report on the capacity building activities provided to the National Statistics Service (including workshops) and draft questionnaires for additional surveys to collect information on access to finance, export, productivity, R&D investment and innovation	March 2022
Report on mapping and evaluation of the existing policy and public programs to promote SMEs, innovation, exports and integration into GVCs, including functional and governance analysis of the quality of design, implementation and governance	March 2022
Recommendations on the specific public programs to promote digitalization and innovation absorption for SMEs, with particular focus on exports and integration into GVCs	June 2022
Workshop and related capacity building on the policy analysis and recommendations	April 2022 July 2022
Facilitating trade: Customs and logistics	
Up to 3 analytical reports with policy recommendations and up to 6 capacity building events (trainings, workshops)	April 2023

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Component 3 – Justice Functional Review

Justice Functional Review	
Training and Dissemination Workshops on select topics identified in consultation with MoJ and the Judiciary (up to six)	July 2021 – June 2022
An assessment of Armenia's judiciary ("the proposed Forward Look") including identification of possible options to support Armenia's justice sector reforms	June 2022

3. All other terms of the Administration Agreement, except amended herein, shall remain in full force and effect.

4. Each of the Parties represents, by confirming its agreement below, that it is authorized to enter into this Amendment and act in accordance with these terms and conditions. The Parties are requested to sign and date this Amendment, and upon possession by the Bank of this fully signed Amendment, this Amendment shall come into effect as of the date of the last signature.

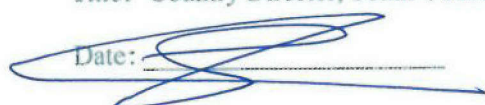
INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT

By:

Name: Sebastian Molineus

Title: Country Director, South Caucasus, Europe and Central Asia

Date:



5/11/2022

EUROPEAN UNION, represented by the EUROPEAN COMMISSION

By:

Name: Andrea Wiktorin

Title: Head of the EU Delegation to Armenia

Date:

11 MAY 2022