

# ECONOMIC GROWTH AND DEVELOPMENT

## TARGETED PROGRAMS

FOR 2010

(The programs shall be under immediate control of corresponding ministers, with final reports to be submitted by yearend)

### 1. MINISTRY OF JUSTICE

- a. Implementation of a one-stop-shop facility enabling the citizens to apply to a single entity. The On receipt of applications, all procedures will be carried out online by the State agency in cooperation with other such agencies.
- b. Reforms in the sphere of notary services including in particular:
  - a minimum of 5% increase in the number of practicing notaries,
  - broader framework of responsibility sanctions for notary offices, including in deals concluded for negligence-induced offences
  - introduction of a system of training and assessment by notaries under their immediate control
  - elimination of applicant queues in notary offices and improvement of service quality
- c. Design and passing of a package of laws on expedited judicial procedures.

### 2. MINISTRY FOR FOREIGN AFFAIRS

- a. Coordination of economic cooperation with foreign States;
- b. Embassies or 2 consulates will be founded in Japan, Kuwait, Iraq, Spain (in the city of Madrid), Czech Republic (the existing general consulate will be reorganized into embassy), Beirut, Netherlands, Uzbekistan (at this stage the question is being negotiated), Brazil (the consulate will be moved from city of Sao Paolo), with the needed funds to be made available from the Ministry's own savings;
- c. Completion of repair work (internal furnishing) of the building of the Diplomatic School by the Ministry for Foreign Affairs using the proper funds of the ministry, as well as creation at the diplomatic school of a department of external economic orientation,
- d. Organization and holding of an Armenian-French meeting of cooperation in Armenia in October, 2010.

### 3. MINISTRY OF LABOR AND SOCIAL AFFAIRS

- a. Revision of the manner in which vulnerability is currently assessed, streamlining of information streams between governing organs, better targeting of welfare benefits, i.e. improvement of the beneficiary household / vulnerable household ratio;
- b. Startup of the process of pension reforms;
- c. Improvement of demographic situation assessment indicators;
- d. Improvement of labor legislation through amendments to the labor code in particular.

### 4. MINISTRY OF HEALTHCARE

- a. Realization of the program of proportional development of territories and modernization of public health services: opening of new hospitals in the cities of Armavir, Aparan, Goris, Ararat, Idjevan and Gavar,
- b. First aid service modernization program implementation,
- c. Realization of a drug quality improvement program, ensuring their physical and economic affordability in order to prevent unforeseen rises in pharmaceutical prices,
- d. Startup of the nuclear medicine development program,
- e. Enabling realistic prices for the refund of medical services and medical care, application of the principle of co-settlement and streamlining of paid services: Financial improvement of medical institutions, reduction of “black” incomes, increase in tax receipts and wages,
- f. Boosting the process of insurance system development.

### 5. MINISTRY OF EMERGENCY SITUATIONS

- a. Modernization of management practices, introduction of knowledge-based working procedures and expansion of international cooperation by building a national platform in line with international criteria,
- b. Inspection reform realization,
- c. Stricter financial management,
- d. Installation of 70-80 anti-hail stations in 5 marzes of Armenia to the amount of AMD 800 million.

### 6. MINISTRY OF NATURE PROTECTION

- a. Realization of a program entitled “Creation of protected zones (Lake Arpi national park in Javakhk (Ashotsk) region of Armenia” under a grant-funded environmental project implemented in South Caucasus on the part of the Deutsche Bank for Reconstruction and Development,

- b. Implementation of urgent steps for prevention of harmful impact of the expected rise in the level of Lake Sevan, including the clearing and removal of trees and bushes on the woodland of about 600 hectares which will go under water due increased water level,
- c. Conduct of hydro-geological surveys in order to define the volume of underground water resources in Ararat valley,
- d. Program administration according to the clean development mechanism (CDM) of the Kyoto protocol.

## 7. MINISTRY OF AGRICULTURE

- a. Commissioning of a sugar plant in Akhurian region of Shirak marz of Armenia and rehabilitation of sugar beet processing industry in the country,
- b. Implementation of a sheep breeding program in the Republic of Armenia,
- c. Implementation of subsidized prices for mineral fertilizers,
- d. Implementation of a seed-growing development program,
- e. Development of a organic agriculture development,
- f. Design of a program of cattle breeding development,
- g. Introduction of a system of grapes pre-purchase on a contractual basis,
- h. Status determination, licensing and capacity building for the central laboratory.

## 8. MINISTRY OF ECONOMY

- a. Adoption and introduction of the code of corporate management (mandatory for State agencies),
- b. Founding of scientific - educational laboratories in order to strengthen industry - education – research linkages:
  - In cooperation with National Instruments Ltd, co-founding of an engineering research and development lab by the Gyumri center of information technologies and the Yerevan Engineering University: submission of a loan program to the Operative Staff,
  - Opening of R&D centers - large Armenian - Indian, Microsoft and ATGO computer labs – by the Yerevan State University and the Yerevan Engineering University,
- c. Publishing of a business manual entitled “Computer for everybody” and full introduction of the program: distribution of 15 thousand computers, startup of the program of providing teachers with individual computers,
- d. Signing of contracts on acceptance of obligations in anticipation of the investment program on establishment of a free economic zone at Zvartnots international airport.

- e. Stimulation of light industry: opening of the first branch of VKC-Armenia garment factory in Lori marz of Armenia,
- f. Reconstruction of the Yerevan Institute of Physics with the purpose of establishing a national scientific laboratory,
- g. Startup of investment programs for mineral water bottling and hotel construction involving foreign investors.

#### 9. MINISTRY OF ENERGY AND NATURAL RESOURCES

- a. Adoption of a package of laws and legislative acts on underground resources, creation of an independent laboratory in line with international criteria,
- b. Commissioning of the new combined cycle power unit at the Yerevan TPP to keep down tariffs on electricity,
- c. Startup of the World Bank-supported Hrazdan-Shinnuhair 220 kV overhead power transmission line construction project to the cost of USD 35,0 million,
- d. Startup of building activities for Meghri HPP together with the Islamic Republic Iran (in 2010 with a total cost of up to USD 30 million),
- e. Completion of preparative work for construction of the new unit of Medzamor NPP involving different investors, conclusion of corresponding contracts and placement of eventual orders,
- f. Startup of oil pipeline construction together with the Islamic Republic of Iran (to the cost of about USD 250 million),
- g. Engaging talks with the Government of Japan on constructions of the 2<sup>nd</sup> combined cycle power unit at the Yerevan TPP CJSC.

#### 10. MINISTRY OF EDUCATION AND SCIENCE

- a. Full supply of textbooks for high schools in 2010,
- b. Reform of high school education,
- c. Attestation for general educational school managers,
- d. Application of a new financial scheme for high school State orders,
- e. Stricter rules for the licensing of higher educational institutions and establishment of new criteria for control of international quality of education.

#### 11. MINISTRY OF CULTURE

- a. Enlistment of Armenian cultural – historical monuments situated in foreign countries,

- b. Creation of incentives for debuting and innovative programs in the sphere of modern arts,
- c. Organization of anniversary events in 2010,
- d. Completion of the process of registration of cultural assets kept in the State museums, more proactive awareness raising efforts with regard to cultural values,
- e. Organization of open door actions in museums.

## 12. MINISTRY OF DIASPORA

- a. Revealing of the potential of Diaspora Armenians:
  - The status of Western Armenian language in Diaspora communities,
  - Preservation of the Armenian originality in mixed households,
  - Organization of a pan-Armenian chess Olympiad in cooperation with the Chess Academy of Armenia,
  - Organization of a forum of Armenian scientists,
  - Gathering of graduates of high schools of Armenia from the Armenian Diaspora,
- b. Design of the concept of repatriation and drafting of RA law on repatriation,
- c. Continuation of “Go Home” program and design of a corresponding concept,
- d. Continuation of the process of State orders for research work by the YSU, Noravank scientific - educational fund and RA NAS,
- e. Printing of a map of monuments and engineering of small-scale models,
- f. Work on the formation of a National Council,
- g. Organization and implementation of the One Nation, One Culture festival throughout the year,
- h. Realization of resource identification programs in various spheres.

## 13. MINISTRY OF SPORT AND YOUTH AFFAIRS

- a. Development of mass sports, hosting of competitions in the regions of Armenia and the NKR,
- b. Development of junior and youth sports events, organization of junior school coach training activities,
- c. Monitoring of the status of Physical Training academic subject nationwide to develop mass and youth sports activities in Armenia,
- d. Implementation of the Affordable Housing for Young Households State program,
- e. In cooperation with the Ministry of Territorial Administration and the Ministry of Healthcare, provide for implementation of mandatory medical examinations twice a year for schoolchildren and students nationwide,
- f. Construction of new sports complexes in Yerevan and marzes.

#### 14. MINISTRY OF TERRITORIAL ADMINISTRATION

- a. Ensuring proportional territorial development throughout the country, design and application of relevant assessment standards,
- b. Improved management of revenue collection into community budgets, identification of all existing reserves, statutory registration and taxation of vehicles (snowmobiles etc),
- c. Effective management of land resources, integration of lands, effective use of lands of 4<sup>th</sup> category (salted, unused, privatized and barren land),
- d. Drafting of a new presidential decree on regional State administration in the Republic of Armenia.

#### 15. STATE WATER MANAGEMENT COMMITTEE BY THE MINISTRY OF TERRITORIAL ADMINISTRATION

- a. Completion of construction work for Marmarik reservoir,
- b. At least 50 percent completion of restoration work for Armavir and Talin main canals as stipulated by the World Bank-supported loan program referred to as “Urgent restoration of irrigation systems.”
- c. Construction of 500 km-long irrigation mains under loan and grant programs,
- d. Increase in the number daily hours for drinking water supply to domestic consumers,
- e. Submission of proposals on better drinking water management policy in the Republic of Armenia.

#### 16. MINISTRY OF TRANSPORT AND COMMUNICATION

- a. Control over the fulfillment of concessionaire’s liabilities (inclusive of investment) as stipulated in Armenian Railways JSC property concession contract, as well as oversight of the obligations stipulated in the Haypost management handover contract.
- b. Technical support to the program on transition to digital TV and radio broadcasting,
- c. Amending of those legal acts concerning the registration of real assets and ownership rights for the roads of national importance, as well as realization of inspection checkups in order to rule out the presence and construction of illegal structures in the zones of alienation of roads,
- d. Improvement of the process of vehicle checkups,
- e. Conduct of road building activities, including the North – South project,
- f. Monitoring over the implementation of the North – South railway construction program (Armenia - Iran).

#### 17. MINISTRY OF URBAN DEVELOPMENT

- a. Realization of investment programs aimed at creating an agro-tourism hotel center near Gokht community of Kotayk marz along the Garni - Geghard highway, as well as organization of a tourism

center and a recreational zone in Tatev (Syunik marz) and in Vaik town near the bridge of Paskevich (Vayots Dzor marz) respectively.

- 6. Application of multiple-use model drawings for private homes in the Republic of Armenia,
- c. Publishing of a catalogue of small and medium-size residential buildings and public service facilities in the territories next to the highways of interstate and republican importance,
- d. Building and capital repair of State budget-financed 170 facilities to the orders of RA Ministry of Urban Development and RA Ministry of Territorial Administration with a total budget of AMD 6,185.5 million,
- e. Completion of the Glendale Hills CJSC-implemented housing development program, commissioning of 1932 apartment houses,
- f. Application of town development standards all the way through design and control stages,
- g. Study of international experience with a view to developing a full concept of town-planning norm applicability and a corresponding action plan based on European standards.

#### 18. MINISTRY OF FINANCE

- a. Streamlining of the internal audit and procurement-related legal framework as stipulated in the strategy of State financial management control,
- b. Design of a program of medium-term expenditures,
- c. Streamlining of the system of single-entity-implemented procurements, introduction of the system of online tenders and reform of corresponding legislation,
- d. Passage of the Republic of Armenia law on internal audit and system formation,
- e. Increase in the range of managing entities involved in the reform of planned budgeting,
- f. Building a system of external audit,
- g. Enabling systemic control over extra-budgetary accounts and oversight of PIU budgeting processes by means of a uniform exchequer system,
- h. Development and introduction of a system of modern IT-assisted transition to chamber checkups in the fiscal sphere on the basis of administrative registers,
- i. Regular servicing and special accounting for the proceeds of the Russian credit, with the bulk of the loan targeted toward development programs.

#### 19. STATE REVENUE COMMITTEE BY THE GOVERNMENT

- a. Introduction of a check-up eligible taxpayer selection system based on risk assessment criteria applicable in the tax and customs spheres,

b. Pursuit of the process of e-government improvements in order to reduce the contact area between taxpayers and tax officers,

c. Full application of the system of “green corridor” in the customs sphere,

d. Waiver of the reporting requirement for individual businessmen and passage to the system of patent payments.

## 20. STATE COMMITTEE ON IMMOVABLE PROPERTY CADASTRE BY THE GOVERNMENT

a. Implementation of immovable property cadastral assessment activities to build up taxation bases for 2011-2013 with regard to real estate and land taxes,

b. Introduction of an electronic system of effective registration of real estate, mapping and information providing for the grant negotiated with the Government of Norway

c. Creation of base maps of State scale series, continuity in aerial photography activities,

d. Simplification of citizen servicing procedures, increase in service quality, reduction of deadlines and conformity with international criteria,

e. Continued improvement in accommodation conditions for the Committee’s 52 local divisions, including the purchase of new office areas (also in Yerevan).

## 21. STATE PROPERTY MANAGEMENT COMMITTEE BY THE GOVERNMENT

a. Stock exchange-brokered privatization of stocks of 6 companies,

b. Conduct of actions toward specification and updating of State property-related data bases to form the legal bases for the recording and registration of State-owned roads, bridges, canals, water reservoirs and intangible assets,

c. Submission of proposals concerning the Government Decree N.912-stipulated free transfer to communities of State-owned property situated within their administrative borders, including the ones with State-owned buildings and facilities, as well as the plots of land used for their service.

d. Pursuit of activities toward shaping an institute of authorized representatives for the management by the State of 439 companies in which the State has a stake, introduction of the Code of Corporate Management,

e. Recovery of AMD 180.0mn worth of rent arrears for leased State-owned property with the transfer of these sums to the Treasury,

f. Follow-up control over AMD 1.4bn worth of investments made under contracts on creation of 1150 jobs,

g. Free privatization of hostel premises by tenants,

h. Coordination of State property management activities.

## 22. GENERAL DEPARTMENT OF CIVIL AVIATION BY THE GOVERNMENT

- a. Construction of a new air terminal with USD 76 million worth of investment to stimulate GDP growth,
- b. Application of foreign language-based documents adopted by the European Aviation Agency and passage of corresponding legislative acts,
- c. Design and introduction of small plane take-off and landing schemes for the airports of the Republic of Armenia,
- d. Conduct of regular passenger service controls involving civil society representatives.