## Implementation Status & Results

### Armenia

**Tax Administration Modernization Project (P111942)**

<table>
<thead>
<tr>
<th>Operation Name</th>
<th>Tax Administration Modernization Project (P111942)</th>
<th>Project Stage</th>
<th>Seq.No</th>
<th>Status</th>
<th>Archive Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Country</td>
<td>Armenia</td>
<td>Implementation</td>
<td>1</td>
<td>ARCHIVED</td>
<td>31-Mar-2013</td>
</tr>
<tr>
<td>Product Line</td>
<td>IBRD/IDA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Region</td>
<td>EUROPE AND CENTRAL ASIA</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Implementing Agency(ies)</td>
<td>State Revenue Committee</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Key Dates

<table>
<thead>
<tr>
<th>Board Approval Date</th>
<th>Original Closing Date</th>
<th>Planned Mid Term Review Date</th>
<th>Last Archived ISR Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>03-Jul-2012</td>
<td>30-Apr-2016</td>
<td>20-Apr-2015</td>
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</table>

<table>
<thead>
<tr>
<th>Effectiveness Date</th>
<th>Revised Closing Date</th>
<th>Actual Mid Term Review Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>28-Dec-2012</td>
<td>30-Apr-2016</td>
<td>20-Apr-2015</td>
</tr>
</tbody>
</table>

### Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The Project development objective (PDO) is to modernize Armenia’s tax administration to (i) increase voluntary tax compliance, (ii) reduce tax evasion, (iii) reduce compliance costs; and (iv) increase administrative efficiency. This objective will be achieved by:

- introducing modern, integrated information technology to support SRC operations;
- improving data exchange between the SRC and other agencies to enhance better risk management and targeting of compliance activities (“third party information”);
- reengineering and automation of business processes to improve efficiency and effectiveness; and
- expanding eGovernment, including e-filing and e-payments to lower the compliance burden for the private sector.

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

- [ ] Yes
- [ ] No

### Component(s)

<table>
<thead>
<tr>
<th>Component Name</th>
<th>Component Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Institutional Development</td>
<td>2.20</td>
</tr>
<tr>
<td>Process Modernization and Compliance Management</td>
<td>1.00</td>
</tr>
<tr>
<td>Infrastructure and System Modernization</td>
<td>11.00</td>
</tr>
<tr>
<td>Project Management</td>
<td>0.90</td>
</tr>
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</table>

### Overall Ratings

<table>
<thead>
<tr>
<th></th>
<th>Previous Rating</th>
<th>Current Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>Progress towards achievement of PDO</td>
<td></td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Overall Implementation Progress (IP)</td>
<td></td>
<td>Satisfactory</td>
</tr>
<tr>
<td>Overall Risk Rating</td>
<td></td>
<td>Moderate</td>
</tr>
</tbody>
</table>
Implementation Status Overview

The Tax Administration Modernization Project (TAMP) became effective on December 28, 2012, after the parliamentary ratification of the financing agreement. Since broad approval the State Revenue Committee (SRC) with the support from the Bank has further advanced projection preparation activities. The Project Implementation Plan (PIP) and Project Operations Manual (POM) have been completed and implementation arrangements have been set up (pursuant to the provision in the financing agreement). SRC has also prepared the TOR for the procurement of various consultants to support projection implementation and for initial contracts to be procured under the Project. Bank provided no objection (NO) on December 18, 2012 to the draft ToR for developing technical specifications for modules of Taxpayer 3 System. The USAID contractor that will provide complementary technical assistance has been mobilized and commenced initial scoping and support activities with MOF and SRC. The Bank has been coordinating with USAID to ensure the close alignment of support activities from the outset.

Locations

No Location data has been entered

Results

Project Development Objective Indicators

<table>
<thead>
<tr>
<th>Indicator Name</th>
<th>Core</th>
<th>Unit of Measure</th>
<th>Baseline</th>
<th>Current</th>
<th>End Target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Average Adjustment result from audits</td>
<td>✓</td>
<td>Amount(USD)</td>
<td>Value</td>
<td>10.10</td>
<td>12.10</td>
</tr>
<tr>
<td>Number of active VAT taxpayers</td>
<td>✓</td>
<td>Number</td>
<td>Value</td>
<td>11800.00</td>
<td>12400.00</td>
</tr>
<tr>
<td>Number of active CIT taxpayers</td>
<td>✓</td>
<td>Number</td>
<td>Value</td>
<td>28939.00</td>
<td>30400.00</td>
</tr>
<tr>
<td>CIT productivity</td>
<td>✓</td>
<td>Percentage</td>
<td>Value</td>
<td>0.10</td>
<td>0.14</td>
</tr>
<tr>
<td>Ratio of Revenue collected to SRC operating costs</td>
<td>✓</td>
<td>Number</td>
<td>Value</td>
<td>74.00</td>
<td>83.00</td>
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<tr>
<td>Perception of taxpayers regarding level of</td>
<td>✓</td>
<td>Percentage</td>
<td>Value</td>
<td>0.00</td>
<td>0.00</td>
</tr>
<tr>
<td>professionalism and honesty in tax administration</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Indicator Name</td>
<td>Core</td>
<td>Unit of Measure</td>
<td>Baseline</td>
<td>Current</td>
<td>End Target</td>
</tr>
<tr>
<td>-------------------------------------------------------------------------------</td>
<td>------</td>
<td>-----------------</td>
<td>----------</td>
<td>---------</td>
<td>------------------</td>
</tr>
<tr>
<td>Number of tax inspectors trained (differentiated by gender).</td>
<td>☐</td>
<td>Days</td>
<td>Value</td>
<td>0.00</td>
<td>13800.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Date</td>
<td></td>
<td>13-Feb-2012</td>
<td>30-Apr-2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Comments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of tax inspectorates</td>
<td>☐</td>
<td>Number</td>
<td>Value</td>
<td>39.00</td>
<td>29.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Date</td>
<td></td>
<td>13-Feb-2012</td>
<td>30-Apr-2016</td>
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<tr>
<td></td>
<td></td>
<td>Comments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SRC adopted modernized organizational structure, based on workflow analysis</td>
<td>☐</td>
<td>Text</td>
<td>Value</td>
<td>Current SRC structure is based territorial structure, based on face-face interactions with clients</td>
<td>Segmented, functional organization adopted.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Date</td>
<td></td>
<td>13-Feb-2012</td>
<td>30-Apr-2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Comments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Provision and Installation of Equipment and Furniture for Training Institute</td>
<td>☐</td>
<td>Text</td>
<td>Value</td>
<td>Outdated equipment and furniture deployed in training institute</td>
<td>New equipment and furniture deployed</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Date</td>
<td></td>
<td>13-Feb-2012</td>
<td>30-Apr-2016</td>
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<tr>
<td></td>
<td></td>
<td>Comments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service centers established</td>
<td>☐</td>
<td>Yes/No</td>
<td>Value</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Date</td>
<td></td>
<td>13-Feb-2012</td>
<td>30-Apr-2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Comments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Percentage of total tax returns filed electronically</td>
<td>☐</td>
<td>Percentage</td>
<td>Value</td>
<td>20.00</td>
<td>60.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Date</td>
<td></td>
<td>13-Feb-2012</td>
<td>30-Apr-2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Comments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Time to prepare and pay taxes</td>
<td>☐</td>
<td>Hours</td>
<td>Value</td>
<td>500.00</td>
<td>400.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Date</td>
<td></td>
<td>13-Feb-2012</td>
<td>30-Jun-2016</td>
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<tr>
<td></td>
<td></td>
<td>Comments</td>
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</tr>
<tr>
<td>Disaster Recovery Center Operational</td>
<td>☐</td>
<td>Yes/No</td>
<td>Value</td>
<td>No</td>
<td>Yes</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Date</td>
<td></td>
<td>13-Feb-2012</td>
<td>30-Apr-2016</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Comments</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Modern Core IT System Established and Operational (monitored by sub-indicators:(a): Data Processing Center Operational(b): Data)</td>
<td>☐</td>
<td>Number</td>
<td>Value</td>
<td>0.00</td>
<td>4.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Date</td>
<td></td>
<td>13-Feb-2012</td>
<td>30-Apr-2016</td>
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<tr>
<td></td>
<td></td>
<td>Comments</td>
<td></td>
<td></td>
<td>Modules deployed</td>
</tr>
</tbody>
</table>
### Warehouse Operational(c): IRMIS Operational (d): IT Security and Access Management Network Capacity and IP Telephony

<table>
<thead>
<tr>
<th>Value</th>
<th>No</th>
<th>Yes/No</th>
<th>Date</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Yes/No</td>
<td>13-Feb-2012</td>
<td>30-Apr-2016</td>
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### Data on Financial Performance (as of 31-Jan-2013)

#### Financial Agreement(s) Key Dates

<table>
<thead>
<tr>
<th>Project</th>
<th>Ln/Cr/Tf</th>
<th>Status</th>
<th>Approval Date</th>
<th>Signing Date</th>
<th>Effectiveness Date</th>
<th>Original Closing Date</th>
<th>Revised Closing Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>P111942</td>
<td>IDA-51140</td>
<td>Effective</td>
<td>03-Jul-2012</td>
<td>09-Jul-2012</td>
<td>28-Dec-2012</td>
<td>30-Apr-2016</td>
<td>30-Apr-2016</td>
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#### Disbursements (in Millions)

<table>
<thead>
<tr>
<th>Project</th>
<th>Ln/Cr/Tf</th>
<th>Status</th>
<th>Currency</th>
<th>Original</th>
<th>Revised</th>
<th>Cancelled</th>
<th>Disbursed</th>
<th>Undisbursed</th>
<th>% Disbursed</th>
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<tbody>
<tr>
<td>P111942</td>
<td>IDA-51140</td>
<td>Effective</td>
<td>XDR</td>
<td>7.80</td>
<td>7.80</td>
<td>0.00</td>
<td>0.00</td>
<td>7.80</td>
<td>0.00</td>
</tr>
</tbody>
</table>

### Disbursement Graph

#### Key Decisions Regarding Implementation

On July 13, 2012 a Memorandum of Understanding (MoU) was signed between the World Bank and the USAID as a statement of intent that they will collaborate to achieve common objectives.
Restructuring History
There has been no restructuring to date.

Related Projects
There are no related projects.