

T&C

Snapshots

Data Note



Armenia

| GDP (US\$ billions) (2017) | Population (millions) (2017) | Land area (sq. km) (2014) | Income per capita (current US\$) (2017) | Poverty rate (2013) [1] | Unemployment rate (2014) | Ease of Doing Business Rank (2016) |
|----------------------------|------------------------------|---------------------------|---|-------------------------|--------------------------|------------------------------------|
| 11.5 | 3.0 | 28,470.0 | 3,786.6 | 2.4 | 17.1 | 35.0 |

Macro Indicators

| | Avg 2003-2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---------------|-------|-------|-------|-------|-------|
| GDP growth (annual %) | 7.9 | 3.3 | 3.5 | 2.1 | 2.7 | 3.0 |
| Current account balance | -9.1 | -7.6 | -7.3 | -7.3 | -6.5 | -5.7 |
| Fiscal balance (% of GDP) | -3.4 | -1.6 | -1.9 | -4.0 | -3.3 | -2.7 |
| Remittances, received (% of GDP) [1] | 16.0 | 19.7 | 17.9 | — | — | — |
| Real Effective Exchange Rate (2010=100) | 90.6 | 104.5 | 110.9 | 114.8 | 112.9 | 113.5 |
| Consumer Price Index, annual percent change | 4.5 | 5.8 | 3.0 | 5.6 | 3.1 | 4.0 |

Investment indicators

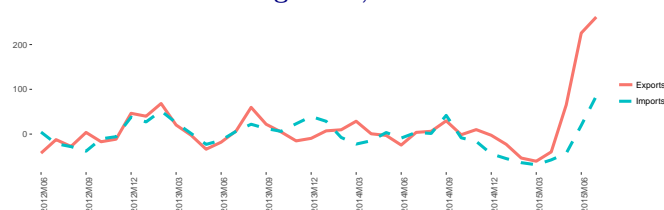
| | Avg 2003-2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---------------|------|------|------|------|------|
| Gross domestic investment (% GDP) | 26.9 | 20.8 | 18.5 | 18.4 | 18.3 | 18.8 |
| Gross domestic investment, of w: Private investment (% GDP) [1] | 31.4 | 22.3 | 21.1 | — | — | — |
| Inward FDI (% of GDP) [2] | 6.3 | 3.5 | 3.5 | — | — | — |
| Inward FDI, % of private investment [2] | 21.1 | NA | — | — | — | — |

Trade Indicators

| | Avg 2003-2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|---|---------------|-------|-------|-------|-------|-------|
| Total Trade in Goods and Services (% of GDP, real terms) | 75.21 | 70.23 | 77.44 | 75.36 | 74.51 | 73.87 |
| Trade balance (% GDP, real terms) | -20.97 | -9.62 | -5.64 | -0.82 | 0.06 | -0.32 |
| Exports, Goods and Services, annual percent change (real terms) | 10.11 | 16.30 | 22.60 | 5.99 | 2.74 | 1.58 |
| Imports, Goods and Services, annual percent change (real terms) | 6.40 | 0.70 | 7.70 | -6.41 | 0.37 | 2.64 |
| Total reserves in months of imports [1] | 4.09 | 4.44 | 2.92 | — | — | — |

Sources: MFM note, [1] World Development Indicators (WDI), [2] UNCTADSTAT, [3] World Economic Outlook (WEO)

Goods Export and Import volume growth, 2012-2015



Source: Development Prospects Group (DECPG)

Gross Value Added by Economic Activity 2013 (% GDP)



Source: World Development Indicators (WDI)

Top 5 Exports by % of Total Value, 2014

| | | | | |
|----------------------------|--------------------------------------|-------------------------------|--------------------------------------|-------------------------------------|
| Copper ores & concentrates | Udenaturated ethyl alcohol of an alc | Cigarettes containing tobacco | Other ferro-alloys (excluding radio) | Aluminium and aluminium alloys, wor |
| 17 | 12 | 8 | 8 | 6 |

Imports Categories by % of Total Value, 2014

| | | | |
|----------------|--------------------|---------------|---------------|
| Consumer goods | Intermediate goods | Capital goods | Raw materials |
| 49 | 25 | 16 | 11 |

Source: World Integrated Trade Solution (WITS)

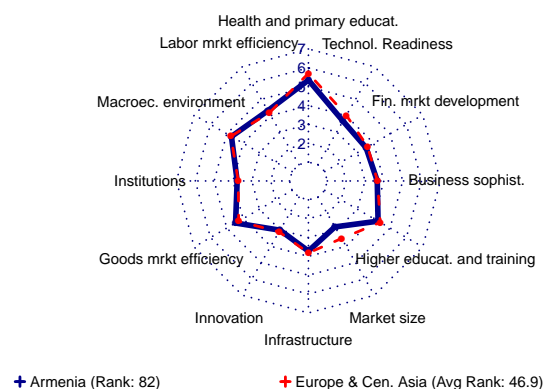
Doing Business 2015 Distance to Frontier (DTF) and Rank

| | 2015 | DTF 2016 | Change | 2015 Rank | 2016 Rank | Change |
|-----------------------------------|--------------|--------------|-------------|-----------|-----------|----------|
| Ease of Doing Business | 72.68 | 74.22 | 1.54 | 38 | 35 | 3 |
| Dealing with Construction Permits | 70.32 | 72.43 | 2.11 | 72 | 62 | 10 |
| Enforcing Contracts | 68.6 | 70.46 | 1.86 | 36 | 28 | 8 |
| Getting Credit | 65 | 65 | 0 | 36 | 42 | -6 |
| Getting Electricity | 65.44 | 65.46 | 0.02 | 96 | 99 | -3 |
| Paying Taxes | 82.51 | 82.51 | 0 | 41 | 41 | 0 |
| Protecting Minority Investors | 60 | 60 | 0 | 46 | 49 | -3 |
| Registering Property | 87.27 | 87.29 | 0.02 | 14 | 14 | 0 |
| Resolving Insolvency | 48.14 | 48 | -0.14 | 69 | 71 | -2 |
| Starting a Business | 97.77 | 97.78 | 0.01 | 3 | 5 | -2 |
| Trading Across Borders | 81.75 | 93.23 | 11.48 | 58 | 29 | 29 |

Source: Doing Business Report 2015

WEF Competitiveness Indicators

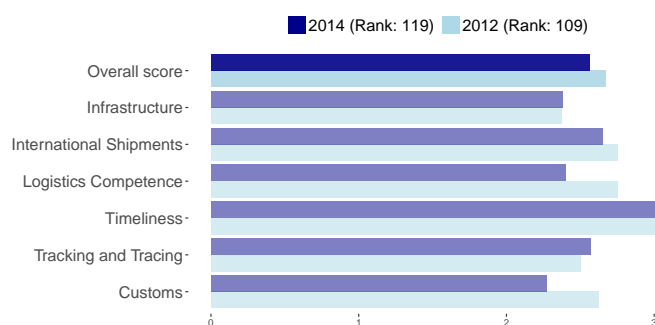
(Scale 1-7, 7=best)



Source: WEF Global Competitiveness Report 2015

Logistics Performance Index

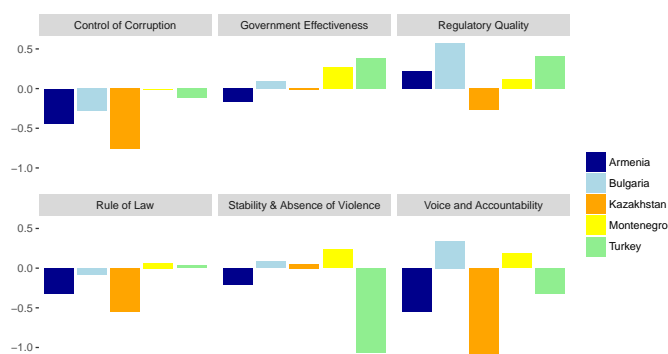
(Scale 1-5, 5=best)



Source: Logistics Performance Index (World Bank)

World Governance indicators

(Std. score, High=best)



Source: Worldwide Governance Indicators

Trade Policy

| | 2010 | 2014 |
|--|------|-------|
| Applied Tariff (Incl. Prefers. and Trade-Weighted) | 4.2 | 4.6 |
| Binding (%) | 100 | 100.0 |
| Dispersion (Standard Deviation) | 4.8 | 4.9 |
| Import duties collected (%; 2010-2012) [1] | — | 2.1 |
| MFN Tariff (Agriculture) | 6.9 | 7.1 |
| MFN Tariff (Non-Agriculture) | 2.1 | 2.9 |
| MFN Tariff (Simple Average) | 2.9 | 3.5 |
| Services sectors with GATS commitments [1] | — | 106.0 |

Sources: WITS, [1] WTO Trade Profiles

Private Sector View

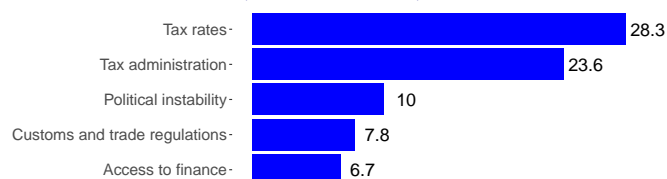
Enterprise Survey 2013

| | Europe and Central Asia | Armenia | All Countries |
|---|-------------------------|---------|---------------|
| Number of electrical outages in a typical month | 2 | 0.30 | 6.30 |
| Percent of firms with a bank loan/line of credit | — | 46.20 | 34.30 |
| Proportion of investment financed by banks (%) | — | 9.50 | 14.30 |
| Proportion of investment financed internally (%) | — | 72.70 | 71.80 |
| Senior management time spent dealing with the requirements of government regulation (%) | — | 12.20 | 9.90 |

Source: Enterprise Survey 2013

Top 5 constraints according to ES 2013

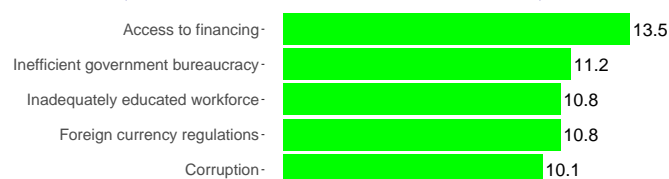
(% respondents)



Source: Enterprise Survey 2013

Top 5 constraints according to WEF 2015 survey

(% respondents among 88 executives)



Source: WEF Global Competitiveness Report 2015



T&C Snapshots Operations Note



Armenia

SCD/CPF

Most Recent

| Product | Document Date |
|--|---------------|
| Armenia - Country partnership strategy for the period of FY2014-2017 | 2016-05-17 |

Planned

| Product | Concept Review Date | Board Date |
|---------|---------------------|------------|
| None | | |

WB Lending Pipeline

| Project ID | Project Name | Team Leader | Approval Date | Lending Inst. Type | Begin Appraisal | Commitment (US\$M) | Latest Sort Overall Risk Rating | FY Expenses (US\$K) | Cum Expenses (US\$K) | FY Prob |
|------------|--------------|-------------|---------------|--------------------|-----------------|--------------------|---------------------------------|---------------------|----------------------|---------|
| None | | | | | | | | | | |

WB Portfolio

Active

| Project ID | Project Name | Team Leader | Approval Date | Lending Inst. Type | Closing Date | Commitment (US\$M) | Undisbursed Balance (US\$M) | Project Rating DO | Project Rating IP | Overall Risk | Months in Problem Status |
|------------|--------------------------------------|----------------|---------------|--------------------|--------------|--------------------|-----------------------------|-------------------|-------------------|--------------|--------------------------|
| P146994 | Trade Promotion and Quality Infrastr | Feyi Boroffice | 2014-07-02 | IPF | 2020-06-30 | 50 | 48 | S | MS | M | 0 |

Closed

| Project ID | Project Name | Team Leader | Approval Date | Lending Inst. Type | Closing Date | Commitment (US\$M) | Project Rating DO | Project Rating IP | IEG Outcome Rating |
|------------|---------------------------|----------------|---------------|--------------------|--------------|--------------------|-------------------|-------------------|--------------------|
| P128769 | IDF-REGULATORY GUILLOTINE | Feyi Boroffice | 2012-02-16 | — | 2015-10-02 | 0 | S | S | — |

WB ASA

Active

| Task ID | Task Name | Team Leader | Concept Approval Date | Output Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|---|----------------|-----------------------|----------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| P157037 | Armenia Trade Comp. and EEU Integration | Feyi Boroffice | 2016-03-22 | 2016-06-28 | TA | N | 27 | 27 | 27 | 27 |

Closed

| Task ID | Task Name | Team Leader | Concept Approval Date | Output Approval Date | Product Line | RAS (Y/N) | Current Expenditure BB (US\$K) | Current Expenditure Total (US\$K) | Lifetime Expenditure BB (US\$K) | Lifetime Expenditure Total (US\$K) |
|---------|---------------------------------------|-----------------|-----------------------|----------------------|--------------|-----------|--------------------------------|-----------------------------------|---------------------------------|------------------------------------|
| P145530 | Export Development Strategy Implement | Gohar Gyulumyan | 2013-09-28 | 2015-06-22 | TA | N | — | 0 | 0 | 64 |
| P146995 | Corp Insolvency and Restructuring TA | Feyi Boroffice | 2013-11-15 | 2014-06-26 | TA | N | — | 0 | 51 | 51 |

IFC ASA

Active

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|-------------------------------|-----------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 600244 | Armenia Investment Climate II | Nazaryan, Arsen | 2014-08-12 | 2017-10-01 | 1,483 | 594 | 355 |

Pipeline

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|--------------------|-------------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 601359 | ECA Gender Project | Mkrtchyan, Gayane | — | 2018-04-30 | 285 | 7 | 7 |

Closed

| Project ID | Project Name | Team Leader | IP Approval Date | Expected End Date | Approval Value (in US\$K) | Total Expenditures (in US\$K) | Current FY Expenditure (in US\$K) |
|------------|---|-----------------|------------------|-------------------|---------------------------|-------------------------------|-----------------------------------|
| 588147 | Armenia Investment Climate Reform Project | Nazaryan, Arsen | 2011-11-07 | 2014-12-31 | 1,607 | 1,601 | 0 |
| 564407 | Armenia Regulatory Simplification - Doing Business Reform | Nazaryan, Arsen | 2009-01-25 | 2011-09-30 | 1,539 | 1,309 | 0 |
| 538506 | Armenia Administrative Barriers Update | Akinci, Gokhan | 2005-08-22 | — | 0 | 0 | 0 |