Early Warning System

WB-P508569

Armenia Economic Transformation Development Policy Operation

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Quick Facts

Countries	Armenia
Financial Institutions	World Bank (WB)
Status	Approved
Bank Risk Rating	B
Voting Date	2026-03-30
Borrower	Government of Armenia - Ministry of Finance; Ministry of Economy; Ministry of Environment
Sectors	Communications, Industry and Trade, Law and Government
Investment Type(s)	Loan
Investment Amount (USD)	$ 200.00 million
Project Cost (USD)	$ 200.00 million

Project Description

According to the Bank’s website, the development objective of this operation is to support the economic transformation of Armenia by (i) unlocking investment and trade, and fostering competition and (ii) enabling greener and more resilient growth.

Under the first pillar, the operation aims to foster business dynamism by modernizing the investment framework, removing key barriers to competition and trade, and promoting digitalization across government and the private sector. The second pillar introduces key building blocks for effective policy action on addressing the resilience and sustainability of the country's economy, such as the development of the Climate Law, the introduction of a greenhouse gas (GHG) permitting system, and a green taxonomy to guide sustainable investment. These reforms will also make the investment climate more attractive to environmentally conscious investors. By integrating climate considerations into economic policy and regulatory frameworks, the reform program supports growth that is both inclusive and sustainable, positioning the country to better withstand future shocks and capitalize on the opportunities emerging from the peace process as well as from a rapidly changing global economy.

Early Warning System Project Analysis

According to the Program Information Document (PID), the overall risk to this operation is **moderate**. Political and governance risks mainly relate to the ongoing unresolved border issues with neighbors. Additional risks stem from upcoming elections in 2026, which could hinder or delay the implementation of the reforms. Institutional Capacity for Implementation and Sustainability risks are substantial as the Government's effectiveness is negatively impacted by limited capacity in certain government institutions.

Investment Description

- World Bank (WB)

Total Project Cost: US$ 200.00 million
World Bank Lending: US$ 200.00 million

Contact Information

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Bank Documents

- Appraisal Program Information Document (PID)
- Armenia - Economic Transformation Development Policy Operation
- Climate Finance Assessment (P508569)
- Concept Program Information Document (PID)
- Official Documents- Loan Agreement for Loan 9950-AM.pdf

Media

- World Bank to Help Armenia Attract Investment and Boost Competitiveness