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# It Is Time To Think About New Partnership Program, IMF Mission Head Says

Noyan Tapan - 29/6/2007

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YEREVAN, JUNE 29, NOYAN TAPAN. The Armenian prime minister Serge Sargsian on June 28 received the head of the International Monetary Fund (IMF) mission Martha Castelo-Branco and the delegation headed by her, NT was informed by the RA Government Information and PR Department.

M. Castelo-Branco appreciated Armenia's cooperation with the IMF since 1992 when the country joined the IMF. She underlined that in the IMF's opinion, Armenia has registered a considerable growth and conducted a reasonable tax-budgetary and monetary-credit policy. In her words, Armenia's currency exchange rate policy has been most flexible as compared with other regional countries.

At the same time M. Castelo-Branco said that there are still some challenges, and serious efforts should be made to overcome them. In particular, among such challenges are the difficulty of maintaining the two-digit economic growth rates registered in recent years, the review of tax collection ratio (with a tendency to increase it), internal competition, problems connected to monopolies, improvement of the business environment, which in its turn includes a number of issues: accessibility of credits, improvement of infrastructures.

The IMF mission head attached importance to the identification of possible risks and the implementation of steps aimed at overcoming of these risks, around which discussions are being conducted with the RA ministry of finance and economy and the Central Bank of Armenia (CBA).

The IMF program in Armenia will be completed in May 2008. According to M. Castelo-Branco, it is time to think about the next partnership program. She attached special importance to such directions as improvement of tax administration, extension of the tax base, development of the financial market, and fight against the shadow economy. She underlined that the IMF is ready to assist with solution of these problems and will continue to promote the reforms aimed at stabilizing Armenia's macroeconomic, particularly, payment and settlement system.

The Armenian prime minister in his turn said that henceforth the IMF's experience and recommendation will also be useful for Armenia. According to S. Sargsian, all indices, which the Armenian government will discuss with the IMF, will be fulfilled.

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