

Minutes No. 4
of the Meeting of Governing Council of Millennium Challenge Account – Armenia
held September 27, 2006

The session was chaired by the Chairman of the Governing Council, RA Prime Minister Andranik Margaryan.

In attendance:

Andranik Margaryan	Prime Minister of the Republic of Armenia, Chairman of the Board
Vahram Nercissiantz	Chief Economic Advisor to the President of Armenia
Hovik Abrahamyan	Minister of the Territorial Administration of the Republic of Armenia
Andranik Manukyan	Minister of Transport and Communication of the Republic of Armenia
Vardan Khachatryan	Minister of Finance and Economy of the Republic of Armenia
David Lokyan	Minister of Agriculture of the Republic of Armenia
Tonakan Ghazaryan	“Shenik” WUA
Nazeli Vardanyan	“Forests of Armenia” Environmental NGO
Vanik Soghomonyan	“National Union of Farmers” NGO
Vardan Hambardzumyan	Federation of Agricultural Associations Union of Legal Entities

The following persons participated to the session:

Ara Hovsepyan	MCA-Armenia, CEO
Alexander Bakhtamyan	MCA-Armenia, Procurement Office, Interim Secretary of the Governing Council
Alex Russin	MCC Resident Country Director, MCC Armenia, Governing Council Observer,
Simon Ghonachyan	Head of the Economic Department of the Staff of the RA Government
Mary Harutyunyan	Press Secretary, Staff of the RA Government

The following matters were on the Agenda of the Meeting:

1. Discussion and approval of the Interim Fiscal Accountability Plan for MCA-Armenia project;
2. Discussion and approval of the Monitoring and Evaluation Plan for MCA-Armenia project;
3. Discussion and approval of the Fiscal Agent Agreement for MCA-Armenia project;
4. Discussion and approval of the Interim Procurement Plan for MCA-Armenia project;
5. Discussion and approval of the composition of the Evaluation Panel and the text of the Expressions of Interest for the Institutional Strengthening of the Water-To-Market component of Irrigated Agriculture project;
6. Discussion and approval of the MCA-Armenia RRRP Roads Design Survey technical evaluation and scoring report;
7. Discussion and approval of the MCA-Armenia Bank Agent financial evaluation and scoring report;
8. Discussion and approval of the MCA-Armenia Water to Market Implementation technical evaluation and scoring report;

[Resolutions]

As to the **1st** item on the Agenda, to approve the Interim Fiscal Accountability Plan;

As to the **2nd** item on the Agenda, to approve the Monitoring and Evaluation Plan;

As to the **3rd** item on the Agenda, to approve the Fiscal Agent Agreement, including the insurance policy securing the fulfillment of Fiscal Agent’s obligations as an appendix to the agreement;

As to the **4th** item on the Agenda, to approve the Interim Procurement Plan;

As to the **5th** item on the Agenda, to approve the composition of the Evaluation Panel and the text of the Expressions of Interest for the Institutional Strengthening of the Water-To-Market component of Irrigated Agriculture project;

As to the **6th** item on the Agenda, to approve the MCA-Armenia RRRP Roads Design Survey technical evaluation and scoring report;

As to the **7th** item on the Agenda, it was resolved to:

the first alternative approach of the evaluation panel in evaluating the MCA-Armenia Bank Agent financial evaluation and scoring report is not acceptable;

to direct the evaluation panel to implement the second alternative approach, according to which the bids not in full compliance with the terms of the tender shall be rejected without scoring;

to submit the new evaluation and scoring report for the written approval of the Governing Council.

As to the **8th** item on the Agenda, to approve the MCA-Armenia Water to Market Implementation technical evaluation and scoring report (due to conflict of interest, Vardan Hambardzumyan, Chairman of the Federation of Agricultural Associations Union of Legal Entities, did not participate to the discussions and voting on this issue and has not been provided any of the supporting materials/information);

It was mentioned that Disbursement Agreement, Procurement Agreement and Governance Agreement have been send to RA President for ratification

Having concluded the business on the Agenda, the meeting adjourned.

MCA-Armenia Governing Council Chairman
RA Prime Minister

A. Margaryan

MCA-Armenia Governing Council Acting Secretary
MCA-Armenia Procurement Officer

A. Bakhtamyan